

# THE BOTANY PLAN

A COOPERATIVE COURSE IN LABOR-MANAGEMENT RELATIONS

















# THE BOTANY PLAN

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A COOPERATIVE COURSE IN LABOR-MANAGEMENT RELATIONS  
CONDUCTED JOINTLY BY BOTANY MILLS, INC., OF PASSAIC,  
NEW JERSEY, AND TEXTILE WORKERS UNION OF AMERICA



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BOTANY MILLS, INC., PASSAIC, NEW JERSEY

1947

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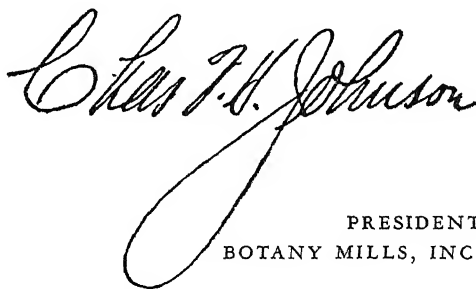
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## FOREWORD

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THIS BOOK is published primarily for the use of employees of Botany Mills, Inc., who attend the school in labor-management relations conducted jointly by Botany and the Textile Workers Union of America (C.I.O.). The lessons it contains and the explanatory matter which has been added are designed to increase their knowledge and appreciation of an undertaking begun and continued in good faith on the part of all concerned.

Because of the wide interest which this course, the first of its kind, has aroused, we are distributing a limited number of these books to interested executives of industrial organizations, and to educators who have requested them. We do so in the hope that the lessons compiled for our own employees may serve as a guide to others who are interested, as we are, in improving human relations between management and labor.

A large, elegant handwritten signature in cursive script, reading "Charles F. Johnson". The signature is written in dark ink and occupies the lower right portion of the page, overlapping with the printed text below it.

PRESIDENT  
BOTANY MILLS, INC





# INTRODUCTION

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## Origin, Policies and Purposes of the Joint Training School

AS A RESULT of a series of conversations between Colonel Charles F. H. Johnson, President of Botany Mills, Inc., and Mr. George Baldanzi, Executive Vice-President of the Textile Workers Union of America (C.I.O.), there was inaugurated at Botany in September, 1946, a Joint Training School for Botany supervisors and shop chairmen and shop stewards representing the Textile Workers Union. It was the first training program of this character introduced into industry. The course includes an introductory session and fifteen hours of instruction. Classes consist of from twelve to fifteen persons representing management and labor.

The text of the lessons for the classes was prepared by Major General Irving J. Phillipson, Director of Industrial Relations of Botany, in cooperation with Mr. Charles Serraino, Business Manager of the Passaic Joint Board, Textile Workers Union. Mr. Charles F. H. Johnson, Jr., Vice-President and General Manager of Botany Mills, Inc., supervised the preparation of the course and the instruction. The success attained is due in no small part to his active participation. The instructors of the classes consist of General Phillipson and his industrial relations staff, and representatives of the Textile Workers Union. Those in the classes represent all stages of authority from assistant superintendents to section hands and from shop chairmen to shop stewards representing the union.

The Joint Training Program has been built around actual problems which arise constantly among operating supervisors, workers

and union representatives. The classes are trained in technical procedures having to do with relations of union representatives and representatives of management. They are taught also how to handle general personnel problems and grievance procedure. They are instructed in the provisions of the Memorandum of Agreement which the company and the union have negotiated. An important phase of the instruction is an insistence upon handling relations between the company, the union and employees in a manner which preserves the dignity and self-respect of the individual.

The cases discussed and the procedures taught, revised to date, are printed in this volume which has been prepared by the company for limited distribution to those who have an interest in the undertaking, or who desire to engage in similar activities. While the instruction has been prepared solely for use at Botany Mills, Inc., it can be adjusted to the needs of any industrial plant or business establishment.

The policies and purposes of the Joint Training School were clearly outlined by Colonel Johnson, General Phillipson and Mr. Baldanzi to employees of Botany at a dinner meeting held September 18, 1946, in the mill cafeteria. To emphasize the importance of the occasion, invitations were extended to a distinguished group of industrial leaders, industrial relations experts, labor representatives and educators.

Because statements made by the principal speakers ably present the company's and the union's views of the mutually helpful results expected of, and subsequently achieved by, the joint undertaking, they are set forth in this introductory chapter.

## AIMS AND METHODS

### *Address by* GENERAL PHILLIPSON

Mr. Chairman, Colonel Johnson, Mr. Baldanzi, distinguished guests, and our Botany co-workers:

This occasion is a notable one in many respects, important among which is the presence of so many distinguished guests. The warmth of the welcome speaks for itself and needs no confirmation from me. Following my discussion, others in position to speak more authoritatively will address you.

Another memorable circumstance worthy of note is the frank assurance of joint effort by the company and the union for the common good, which is inherent to combined training.

Actions speak louder than words. It is not the import of an agreement but the results it produces that really matter. The mutual confidence and unselfish purposes which underlie tonight's combined undertaking make it possible to distinguish the occasion as unusually significant and mark an advance in employer-employee relations.

Careful selection of personnel, adequate training to develop high individual and unit efficiency, sympathetic understanding to breed pride, loyalty and cooperation as well as other vital factors, as you know, contribute to the building of a successful production team without which there can be no profit to the employee or the employer.

It has long been a high-priority project of Colonel Johnson and Mr. Baldanzi to train jointly at the earliest opportunity Botany's supervisory personnel and union shop representatives to handle production groups so efficiently and harmoniously that they may well constitute models for industry. Such joint training implies training doctrine acceptable to the company and the union. The opportunity has now arrived to launch this joint project which is a distinct forward step in cooperative relations.

For some time my office, with the sanction of our general manager and with the collaboration and cooperation of the best obtainable counsel and assistance in the field, has been busily engaged in compiling and arranging instruction considered suitable for Botany's employees. To utilize the limited time available to best advantage, only such instruction as will clearly and directly benefit the participants in their work at Botany can be included in the courses. Specialization and supplemental matters are rigidly excluded. Every paragraph was subjected to the test: "Does it tend to improve conditions in Botany?"

When the training plan was presented for Colonel Johnson's approval he felt that it should be a joint company-union undertaking. Joint participation had been planned in later courses but the time element appeared too short to secure union concurrence in the

instructional matter at the beginning. The Colonel promptly contacted Mr. Baldanzi in this regard and the time has been found to arrange joint participation. Only slight revision of proposed instruction already prepared was necessary to adjust it to joint needs. It is this revision that we are discussing tonight.

In the preparation of instruction of this character, many problems arise which must be solved as you proceed. Outlines are too indefinite to permit finality at the outset. We hope that all associated with the project will try constantly to improve it and to clarify the details. Primarily, the company and the union are concerned with labor relations in Botany. Instruction therein will be handled by a competent union official, my assistant and myself. Classroom experience supplemented by the observations and suggestions of all participating in the instruction will be utilized to improve and adjust the courses from time to time as appears warranted. Every one present is expected to take an active part in the class work.

Industry as a whole, as well as the Botany Mills and the union, has for a long time been interested in training supervisory personnel and union shop representatives. The present head of Industrial Training for the State of New Jersey conducted instructional courses in this mill prior to 1930.

Instruction of shop chairmen and stewards is a basic policy of the union. Job instruction training, job relations training and job methods training courses were taught in Botany by employees trained by the War Manpower Commission in Newark. Important as was the contribution to war industry, the courses were arranged primarily for quick impartation in new and urgent situations to young and inexperienced personnel.

While Botany lost many trained workers to the Armed Forces, replacements as far as supervisory personnel is concerned were in almost every instance Botany trained and experienced. The relative efficiency of the personnel replaced and of the replacements varied with the circumstances. As a whole, these war courses, although the best obtainable at the time, were not specially adapted to Botany's needs either in war or peace.

On the other hand, certain parts of this instruction fit in per-

fectly with current requirements and have been incorporated without change into the instruction now proposed. The bulk of the instruction to be presented has been compiled from sources that appeared to fit in best with the company's and its employees' particular problems.

The foregoing remarks are especially applicable to the initial instruction which seeks to guide, improve and make smooth supervisors' and union shop representatives' daily relations with other employees in their respective groups, with each other and with higher echelons. Call it what you like — human relations, labor relations, rules of conduct or any other suitable title — the course seeks to facilitate getting along with others through a knowledge of the factors that underlie human behavior and of the means by which individual and group relations can be adjusted and improved. Millions have been expended in modernizing the machinery and equipment of this mill. Certainly our relations with each other and with employees in and out of the union are worthy of as much attention, and improvement here can contribute equally to the welfare and prosperity of all of us.

#### ADVANTAGES OF A JOINT EFFORT

And what, in general are the relations which now exist between the company and the union? While the first union contract was in force, membership in the union was entirely voluntary and only a few more than one half of our employees eligible for the union joined it. Mutual confidence and intelligent cooperation were in the development phase.

Under the present contract, all eligible new employees except Botany servicemen returning to the mill must join the union. As a result, membership has materially increased and the union is well established and favorably received. It is incumbent on the company, its employees, and the union to live and work together in amity and mutual respect. All have the common purpose of improving their own interests and each can succeed only as the others prosper. So we have forgotten our differences and are working together faithfully for the common good. The union can be of untold assistance if its services are suitably utilized.

This it is our firm purpose to do. The labor relations course, which has been prepared through joint efforts, endeavors to present clearly the company's and the union's views of the mutual helpfulness which it is in the best interests of all concerned to maintain. The company, its employees, the union and its members, are all part of the Botany team which must function harmoniously and effectively to attain the success that is necessary to each of them if they are to live happily in this competitive world.

While our union contract sets forth a sound procedure to be followed in handling grievances, there is no panacea or set formula through which labor difficulties can invariably be resolved. Human nature has changed little through the ages and remains as unpredictable, illogical, and capricious on occasions as it was in the earliest recorded pages of history.

Patience, common sense, alertness, knowledge, keen observation, willingness to help, sympathetic understanding and long experience may smooth the way to improved human relations, but the same individual or individuals may not invariably react identically under like circumstances. In composing difficulties, the born conciliator may fail where the opportunist succeeds and vice versa. However, an extrovert interested in and observant of what goes on around him is far more likely to be resourceful in composing differences than is the introvert, self-centered and unconscious of persons and objects in his vicinity.

It is sometimes contended that experts in human relations are born not made, but certainly careful observation and intelligent study of the established procedure contained in the contract provides a sure means for composing differences regardless of personal equations or human understanding.

It is essential not only that the instruction be well prepared but also that it be presented attractively, understandably, uniformly, and effectively if all are to receive from it the benefits inherent to it. And unless all or the vast majority do receive appreciable benefit, the effort is wasteful in time and money and will only provoke dissatisfaction. It is what you get out of the instruction, your interest in the courses, your conviction of their suitability, and your co-operation in improving their worth that are the real measure of

values. There are many more or less recent training innovations such as graphic presentations, moving picture films and group demonstrations which can be utilized to facilitate and add interest to instruction. These will be included in the courses as opportunity permits.

It may be as true today as it was during the war that "If the learner hasn't learned, the teacher hasn't taught." But all must realize that war fervor has waned and that the course and we ourselves must supply the drive and zeal which was inherently present in the enthusiasm of war. Your unqualified support of the purpose and your cheerful application in accomplishing it are indispensable.

Certainly self-interest and continuing improvement lie in that direction. Were there doubt of the importance of this project in the minds of anyone, the company present here tonight, in itself, should sufficiently refute the implication.

Labor relations are matters of continuing concern. Once established, they must be carefully maintained. Constant repetition of essentials and intelligent thinking are indispensable. Industrial conditions almost never completely stabilize. Changes occur constantly in administering human affairs. Supervisory personnel and shop chairmen as well as stewards come and go. The established procedure of today may well be obsolete tomorrow. To be well grounded and reasonably up-to-date implies interest, study, and intelligent discussion. Even the alleged experts must each day read exhaustively and constantly refresh their minds.

#### KEY PERSONNEL FIRST

Exclusive of tonight's meeting, fifteen sessions, each one hour in length will be devoted to labor relations for each class scheduled. Instruction will include personnel policies; the human relations problem; and methods, procedure and stipulations agreed to by the company and union in their latest contract. Attendance is compulsory and on company time.

Twelve to fifteen persons will be assigned to each class. Section hands and shop stewards will receive instruction first since they are in immediate contact with workers. Not only will improvement here be of the greatest advantage in improving conditions, but also



this group, being the first to handle grievances, are key labor relations personnel.

The advantages of instructing senior supervisory personnel and shop chairmen prior to lower echelons were considered and discarded because of greater advantages incident to the plan adopted. As far as practicable, supervisors of like grades and union representatives that normally work with them will be assigned to the same classes for instruction.

Courses are scheduled to continue until all supervisors, shop chairmen, and shop stewards have completed the instruction. Detailed schedules showing days and hours of instruction and the membership of each class will be published sufficiently far in advance to keep all concerned accurately informed. Careful attention and strict compliance regarding attendance, the prompt starting and closing of classes, and the making of participants available for classes for which they are scheduled are enjoined on all persons in authority over personnel attending instruction.

Suitably worded certificates of proficiency will be issued to those who attend all the sessions and satisfactorily complete the requirements. Absentees for any cause will be required to attend other sessions of the kind missed to secure certificates. Failure to attend the full course even if unavoidable will deprive participants concerned of certificates of proficiency for that course.

The desirability of having shop chairmen and stewards receive instruction identical with that imparted to supervisors is apparent. Both are concerned with composing differences and handling grievances in the early steps. Unless they are identically instructed, uniform procedure will be impossible and misunderstandings and controversy will be inevitable. In labor relations it is not sufficient merely to be right. The action taken must reflect good labor relations. Otherwise, the very purpose for which collective bargaining was established may be defeated.

All questions asked during the sessions will be recorded and those of sufficient import for general interest will be published at the end of the course with answers thereto concurred in by the company and the union.\* Copies of these questions and answers

\* See Appendix.

will be furnished those participating in the course as soon as available. At the end of each session all persons attending will be furnished mimeographed outlines of any noteworthy matters covered in the session.

The first mimeograph will cover tonight's discussions and will be furnished to all participants in the courses together with suitable loose-leaf binders. At the end of the course, each person will have a bound loose-leaf record of the course and the important questions asked with satisfactory answers. These should serve as a continuing labor relations reference manual which will be revised from time to time as contents change and courses are modified to reflect the changes.

While the demands on you will be stepped up to some extent it may be of interest to know the extra load voluntarily undertaken by Major Joseph F. Wildebush, Director of Labor Relations, and myself as well as by selected union personnel in the same connection. In addition to planning the course, assisting in laying it out, supervising the writing of it, and personally preparing our parts of it, we will conduct classes for eight hours each week until the labor relations instruction has once been imparted to the entire group.

#### THE GOAL: A CONTINUING COURSE

These include classes for the third shift which are scheduled to be held at midnight. Selected union officials will assist in the instruction and one of them will be present at each session. The task includes somewhere around five hundred hours of instruction in all, or two hundred and fifty hours for both Major Wildebush and me. The instruction just discussed will continue for approximately six months. While much of it is repetitive from the instructor's standpoint, careful preparation on his part for each session is essential to maintain full value. Furthermore, to insure satisfactory results, attention and mental alertness of instructors and students must invariably be kept at the highest possible levels. Students get out of the instruction only as much as instructors put into it. It is the purpose to make students' participation well worth the time and efforts expended.

My office, in cooperation with local union officials, has had a

free hand in setting up the course. We realize from the company's, the union's and your viewpoint, the undertaking may partake somewhat of the character of an experiment until its worth is unquestionably established. That is why all of us are so willing to contribute our best to its success.

It has been an interesting task. Top management and the union have encouraged us and helped with the project in every way and to the full extent we have requested. The project involves expenditures of time and funds which only the importance of the results attained can justify. If everything works out as planned, we are hopeful that the training of supervisors and union representatives along the lines indicated will become a permanent fixture in Botany, directed by a full-time supervisor of training, as courses must be carefully supervised as well as frequently revised and repeated, and instructors must be constantly re-briefed to secure the best results.

Another reason for selecting labor relations for the first course is that supervisors and shop stewards and chairmen are not always chosen for their ability to get along with people, although some have had long experience and excel in this regard. Before labor was so generally organized and unions were so inherently in the picture, the know-how of labor relations was far less important than it is today.

Were supervision, shop chairmen and shop stewards fully cognizant of the rights and responsibilities of employer and employees and the obligations and limitations imposed on each of them by the union contract and governmental enactments, many grievances which now reach the Industrial Relations Office still in the controversial stage could be equitably settled in the first or second step of collective bargaining, with consequent savings in time and effort and without loss of prestige or tempers. It is true that governmental regulation has complicated the labor relations situation and obscured basic issues to an extent that the opinions of competent lawyers are frequently needed to clarify differences and adjust controversial matters, but such technical counsel could readily be made available at any step of negotiations if it were needed.

It is equally true, due to the complications that have piled up in

recent years, that lower echelons of supervision have, in practice, lost some of their former prerogatives, important among which are the age-old responsibility to hire, fire, and discipline arbitrarily.

The war years tended to more centralized regulation of employees, since not infrequently labor was scarce, independent, articulate, impatient of delay or restraint, wage-conscious and government-aided. Many excellent employees joined the Armed Services or drifted into other war industries, and new employees, if obtainable, were inexperienced and sometimes incompetent and unreceptive of supervision.

Overtime reached unprecedented proportions. Men and women normally considered unemployable took over vacant jobs due to the war emergency. It is not my purpose to decry or disparage the fine group of men and women who contributed so greatly to the record production of war industry, but only to point out the complications which have diminished the supervisor's direct authority over the workers in his group.

To further complicate the situation, unions were sometimes injected into the picture without general understanding of their legitimate functions. Controversies and mutual recriminations were not uncommon. War conditions are not now entirely eliminated and their influence is still felt although less acutely than formerly.

#### PLANT SAFETY TRAINING

Labor is scarce and the best use must still be made of available personnel rather than to discard the less suitable because they are not entirely satisfactory. Union assistance in handling this imperfect material is of inestimable benefit and the sooner supervisory and labor representatives are trained identically for the common purpose, the more promptly supervisory difficulties will disappear. Through this, the interests of all concerned — company, union, supervisor, and other employees — will be advanced.

When this course in human relations has been finished by all employees for whom it is intended, a short series of lessons — perhaps five or six — in accident prevention and plant safety is contemplated. If conditions and facilities permit, it may be given concurrently with part of the labor relations course. As you well know,

the prevention of accident is inherently the responsibility of production personnel, and cannot be disassociated from them.

This course will also be compulsory and on company time. Naturally, it will be in the nature of a refresher course as all supervisors and the union's safety personnel are already accident prevention conscious. Unfortunately, long familiarity with danger breeds carelessness and accidents due to human failures are far more disturbing than those incident to mechanical failures although the latter, even if sedulously guarded against, can be too frequent and destructive.

Botany has long had a safety committee heading up in the plant protection office and composed of experienced key employees carefully selected for their suitability and knowledge. Recently at the request of the union, it has been accorded representation throughout our accident prevention set up. This plant-wide safety committee meets periodically and brings to the attention of appropriate authority defects and deficiencies in accident prevention and suggestions for improvements. The accident rate is ordinarily relatively low in textile mills and Botany does not as a rule have an excessive number of preventable accidents, although it is not remarkably free from them.

I have given the matter a great deal of careful study and thought and have found with some few exceptions that Botany's system of accident prevention is as effective as that to be anticipated under the circumstances. Some extension of facilities, a general tightening up and closer cooperation in carrying out the recommendations of safety committees appear to be desirable and are being arranged.

The Ford Motor Company confines membership on its safety committee to personnel connected with manufacturing, thus obviating the need for cooperative action between manufacturing and advisory agencies, as is now current in Botany. However, either arrangement appears to work satisfactorily when energetically administered by those responsible for plant safety, and there are certain advantages in having the supervisory and suggestion service separated from manufacturing but leaving manufacturing with its full responsibility for the prevention of accidents within its jurisdiction.

Accident prevention will be followed by courses of instruction along the lines favored and taught by the Industrial Training Department of the State of New Jersey. The conference method, in which particular job activities or employee's actions are studied by selected associated groups to ascertain causes, effects, proposed remedies and other pertinent requirements and conclusions, is the one contemplated for use here.

Trainers for this kind of instruction would be prepared for the work by competent state instructors who would direct the training activities at the beginning. The functions of my office would be limited to planning, preparation, supervision, coordination and control. I have not covered this phase of training in detail, as plans for it cannot be completed until some time next year. However, we feel that instruction in this category should be voluntary and on company time only when obviously for the benefit of the company.

I have tried to present to you a brief outline of the proposed courses of instruction for supervisory and union personnel associated in administering labor relations, which course will start next Monday and continue for many months; for accident prevention which has not been definitely scheduled at this time; and for additional training to be imparted under the direction of the Industrial Training Department of the State of New Jersey, which has just reached the planning stage.

#### FACTORS ON WHICH COURSE DEPENDS

I repeat that the success of the instruction depends on the suitability of the instructional matter, skill of the instructors and the receptivity of the students. The courses which have been arranged are calculated to hold interest, improve understanding and assure cooperation. Beyond that it is up to the students. I feel sure that the sincerity and enthusiasm with which the company and the union have approached this joint undertaking will communicate itself to all who are concerned with it, and that the results attained will long stand as a challenge to other organizations engaged in similar activities.

I am grateful to you for your thoughtful attention and patient consideration and sincerely trust that I have not violated, too un-

pardonably, the age old preachment that no souls are saved after the first few minutes.

## THE UNION'S VIEWPOINT

*Address by MR. BALDANZI*

Mr. Chairman, Colonel Johnson, General Phillipson, and guests:

I am very happy to be part of this kind of get-together, because that is actually what it is — a getting-together, so to speak.

This whole idea that brings us together this evening came about originally as a result of discussions between Colonel Johnson and some of his associates, and some of us in the union. We felt that in this mill all of us — the union shop committee, the union officers, the foremen, the supervisors and top management — have a big responsibility, a responsibility that can be fulfilled only if we first understand our common objectives. When we understand these common objectives, we must get both of our organizations working in complete harmony to achieve them.

This is a significant meeting. All we have to do is just read the daily papers and see the general unrest that prevails all over the nation — the many strikes, the battles going on between management and labor — and then we realize that someone must, sometime, find an answer to this general problem of how labor and management can learn to work and live together in peace. And that is exactly what we are trying to do here tonight.

General Phillipson has read the general outline of the plan to you. Instead of giving separate instructions to the foreman, to supervision and to the shop committee, we are going to combine the classes and give them the same kind of instruction, so that the foremen will not understand the problem one way and the union understand it another. In that way, if we have joint meetings and joint classes, we will both understand exactly what the problem is.

I am confident that we will create a program here in Botany that many mills and many unions will want to adopt for guidance.

This is a joint undertaking. And I want to say this to all of you in supervision: I do not want you to feel that the union is going to try to take any of your rights away from you. You have a job to do, in supervision. Our union stewards also have a job to do. Their

job is to see that if a worker has a grievance, that grievance is brought to the attention of the immediate supervisor and straightened out as soon as possible. Their job, in other words, is not too much different from yours. And there is nothing they may desire to do that will be contrary to your own objectives. If this plan is going to work, it will work only to the extent that we have confidence in, and understanding of, tolerance and mutual respect for one another. The Botany Mills can become a symbol of that kind of relationship, and we want to sincerely try to make it that kind of symbol.

We are all human beings, whether we are foremen or whether we are owners of the mill; whether we are the shop chairmen or the committeemen; or whether we are on a loom or spinning frame. We are all human. We all make mistakes. We all have desires and aspirations. And I want to say to all of you that now that we have the union and now that we have a management which understands that the union's purpose is not to work against the company's interest, but merely to see that people are treated fairly — that they have good jobs at decent wages, that they are respected and that they in turn respect others — there is absolutely no reason why we cannot work as a team.

I have always felt there are a lot of things that can and must be done in this country if we expect to have peace in industry, and if we expect to have workers in the mill who do not work merely because they have to, but people who work because they are proud of their jobs, proud of the place in which they work, and imbued with the understanding and feeling that they know they are going to get a square deal.

Basically, every person desires a certain amount of security, a certain amount of respect. He wants to be able to get along with his fellow men. And I think that we have the basis for that kind of relationship here at Botany.

This company has inaugurated and is now launching a completely revolutionary idea in the production and merchandising fields. I foresee a very good future for the people who work and for the people who direct this company.

We have just come through a very bitter world war. The shoot-



ing is finished. But the turmoil, the uncertainties, the chaos, are still very much in evidence all over the world. If we hope to have any kind of lasting peace, we must find a way to work and live together in harmony. We cannot go on from day to day, and year to year, seeing the same kind of turmoil, the same kind of disturbances that now exist in practically every industry in the country. And we of the Textile Workers Union of America — of which many of you here are members — want to see if we cannot, together with this company, pioneer in bringing about a situation that will show other people what can be done when we know that we do have a mutuality of interest.

As far as our union is concerned, there should no longer be any fear that the company is going to do something to break the union. And as far as the company is concerned, I think it realizes that the union is not going to do anything that would be detrimental to the company.

We are living under a system of free enterprise. We know that the success of the workers in the mill is measured by the success of the company. If the company is successful in making and selling merchandise, it means that we who run the looms and the spinning frames will be able, slowly but surely, to constantly improve our living standards.

That is the objective we have in mind. As a result of the program the company has launched for the sale of Botany labeled goods — whether they be suits, neckwear, or cosmetic products, or all the other items the company wants to sell—I hope that through our joint effort we shall be able to distribute Botany goods from one end of the country clear across the nation.

I hope we can create a situation here that will make it possible for the Botany Mills to run fifty-two weeks in the year. In other words, I hope they can run fifty weeks, and then shut down for two weeks vacation so everybody can take a rest. That is the objective we have in mind.

And, frankly, I believe it can be reached. Not only that, but with this new method the company has adopted — the labeling of the material, this whole merchandising policy — it becomes your responsibility and mine to look upon this enterprise as ours also.

We want to see that our workers understand the program, understand that we must be just as efficient as, if not more efficient than, any other mill in the country.

We must try to do everything we can to see that waste is eliminated; to see that certain safety methods are inaugurated in the mill. When we reach the point where we have this constant activity in the mill, I would like to see Botany the first mill in which workers will be in the same category as supervisors, as foremen, as the president of the company. In other words, if we work as a team, and this production machine continues to function efficiently, I hope that some day Botany and the union will be able to announce jointly that we have established the principle of the guaranteed annual wage in the mill. I have already talked to Colonel Johnson and I know that basically he is in agreement with the idea that this is a goal we shall some day have to reach in this country. That is the kind of program we want.

#### THE COMMON AIM

And that is the kind of solution towards which enlightened management and unions must work. Most of the trouble in American industry lies in the worker's fear that tomorrow he may not have a job. If we are able to remove that fear and show him that, through cooperation and understanding, we can create a system whereby the worker will be guaranteed so much money per year, I know that ninety per cent of the trouble that now plagues the industrial life of this country will have disappeared. And that is why I am pleased that we are launching the beginning of that kind of program here.

We are going to have to work for that objective. It is going to require the cooperation of every man who works in this mill. And I expect our shop committees, our union officers, our business agents and all our union managers to apply themselves intelligently, honestly and faithfully to this program. With that kind of approach, I am convinced this program can be achieved.

As time goes on, this program will assume much greater importance than it appears to have now. Right now we are still enjoying our wartime honeymoon. There are more orders than can be filled. There is a tremendous demand for all kinds of consumer goods.

And the industrial plants of this nation will work day and night before they meet those demands.

But there are many of you here — both foremen and workers — who remember even more vividly than I what happened in America after the last war. You all remember that when that war was over we had a period of prosperity for a few years, and then we took a nosedive and the bottom fell out of the whole industrial machine. Wages were cut, millions were unemployed, misery was everywhere and a general degradation of the people took place.

If we want to avoid a repetition of what happened twenty years ago, this is the time to avoid it — by sensible and intelligent planning. That is what this program at Botany means. We want to prepare today for our future, and for tomorrow's security.

So I want all of you — those of you who work in the union and those of you who are in management — to believe us when we say that we are going into this program without any reservations. We are determined to make it work. We are confident that it can work. And nobody will be called upon to give up any of his principles or prerogatives. No one will take away from others those rights which belong to them.

#### HUMAN UNDERSTANDING

We want to be guided, not by cut-and-dried labor-management relations, but by human understanding. We must find a way to learn to live together — and we can.

I can assure the Botany company, for our people, that all we want — and all that people, generally, want — is a chance to live and to work and be paid a decent wage. They want to be able to live decently. They would like to have a little home of their own. They would like to be able to raise their children in respectable and pleasant surroundings.

And we know that can only be brought about if we trust one another and remember that we are all human beings, that we all have the same kind of aspirations, that the worker has pride and character just like the foreman or the superintendent or the mill manager.

And if we realize that we are all subject to human frailties and

mistakes — and if we do make a mistake, let's not jump at one another's throats, but let us sit down like civilized human beings and discuss it quietly and intelligently — than I am sure we will find the right answer.

This program will not succeed unless you — the chairmen, the committees, and the foremen — apply yourselves enthusiastically to make it succeed. It will be impossible for the top men in the company and for the union to make this plan work unless down in every department you imbue the workers with the idea, the spirit and the objective of the plan.

We do not want anything for nothing. And because you are members of the union and you carry a union card, I want you to set an example and do a day's work — an honest day's work. No one is going to try to ask you to do more than you can handle. If he does that, then the union will take up your grievance. But I think management has learned that when you try to get too much from a man, you really cannot succeed. All we want from all of you is that you do your best. Make up your mind that Botany and the union are going to work as a team. Whatever you see wrong in the mill, correct it. Make sure that it is done properly. See that everything runs smoothly. Make Botany's business your business. We want to know everything there is to know about the company.

We want it to prosper, because the longer it prospers the more the worker will be able to improve his lot. And let us show that we can work in this spirit of mutual understanding.

This kind of meeting is unique. I hope that our program can be duplicated in other plants. I see no other answer to today's pressing problems.

We must make the union shop the best shop to work in, in America, because only by doing that can we convince the American public that the union is needed to bring about some kind of balance between employer and employee, employee and management.

Our union representatives have talked to all of our stewards and they know what we are driving towards. Let us put Botany on the map. Let us work this plan through so that we can work every day in the year. Let us make Botany stand out like a beacon light for other employers to see what can be done.

And you, supervision, believe us when we say to you that we want to work with you. We want you to know that we want to respect you. And all we ask in return is that you respect us. Let us work together. In the final analysis, you are no different from us; you are trying to do the same thing we are trying to do.

If we just work together—forget our animosities, our prejudices, and understand that we are either going to make America work together or maybe face the same kind of chaos that we find in other countries in the world—I am sure we will get along. This is, I feel, our last chance. And if we do not succeed now, God help our children when they grow up. I do not know what will happen to them.

We want you to know that from now on we are partners. We are going to work together. We are going to build this movement together. We are going to make this the best place to work in the whole Passaic Valley. We want to improve as you improve. We want to grow as you grow. And I am sure that as long as the company has that attitude—and I know it has—we cannot fail. And when you do this job, don't think you are doing anybody a favor. You are doing this for yourselves. It is our program; it is our team—and it is our future. Let us march together toward our goal.

I am sure that when these classes are over and you have received your training from your teachers, we will all understand our objectives more fully and will appreciate the big job that lies ahead.

### THE BOTANY TEAM *Address by* COLONEL JOHNSON

Mr. Toastmaster, honored guests and, as I always say, hello gang:

A new baby is born—and we are christening it tonight. Let us hope the baby grows strong and virile and that it will accomplish all the hopes that mothers and fathers have for their young.

As I listened to Mr. Baldanzi, I felt as though it would be perfectly simple just to say to you "amen," and then sit down. But I know that you expect something more than "amen" from me.

I was very glad to hear Mr. Baldanzi talk about pride of performance, the pride of being part of a team.

I sat in San Francisco one day with a general in the Chinese Army. He was very much interested in the work of Army Emergency Relief. He spoke of how wonderful our Army was and the victories that were being won. I said to him, "Well, that is because every man who is in our Army knows that he is a part of the best army in the world. He has confidence in his leaders and he has confidence in himself. He is taught self-reliance. He has intelligence. He knows what to do. And he can do it if his corporal, his sergeant, his lieutenant, or any officer above him, is shot down. He knows he can carry on."

#### FEAR MUST BE ELIMINATED

We too can say here in Botany, that with our pride of performance, and our efforts to keep our quality high, we can keep our prices at a point where we can give better qualities at lower prices than our competitors. If we can continue to accomplish this, you need have no worry about an annual wage; in fact, you do not have to worry about many other things because the very fact that a constant flow of quality products insures constant and uniform production means security for you. That security can drive out the devil of fear of loss of wages that is in the minds of many men.

You then know that by your work you have accomplished security. One of the main things that has come out of the war is the fact that we have all learned how to save. We have all learned how to help provide for our own security against the day when we will need it.

I have often sat and talked with Charles (C. F. H. Johnson, Jr., Vice-President and General Manager) of how everybody wants to do something for babies. They put up homes for them. The family will go without necessities in order to put good clothes on the children. But who cares anything about the old folks? Nobody.

And it is that very thing that is behind the devil — fear — that is in the hearts and minds of men and women. Maybe I should say it in the reverse because women feel it even more than men, because when the man comes home without a pay envelope, many mouths remain unfed.

Underlying what we are inaugurating tonight lies much thought

for our mutual security. Here in Botany, ever since I have taken over, my first thought has been to salvage Botany because it was the first and most necessary step toward security for all who depended upon its operations for a livelihood. The next step was to make it the very best, the soundest organization for both employees and stockholders.

We realized real security could be accomplished for all if we could inculcate into the hearts and minds of everybody here that there was not any place in the world they would rather be than in Botany. It is sometimes discouraging when I look over the absentee list. Believe me, if history repeats itself — as it always has — we are going to face the time when we must figure how many jobs are available; how many we can employ; how long we can employ them; and how many hours of work we can give them.

It is our great hope here in Botany that we can find a way of licking that problem, but it behooves all of us to convince the man or woman who is in the habit of saying too often: "Oh, I guess I won't go in today," that he is not only harming himself but also his fellow workers. One department that is off production stops the next department from progressing. Each link in our production chain is a part of one whole process.

I have not yet seen the whole of the program we are launching tonight. The union and the General have not taken me into their confidence. They have taken it for granted that as long as I said it was all right to go ahead, that they might do exactly that, and they have.

Continuity of employment is not only the problem of management. It is equally the problem of labor to see to it that workers are regular in their employment and do not lay off on specious excuses. On my desk there is a record of absentees from week to week and I feel that where we have people who like to be absent constantly, why not let them lay off for good? I hope the union will agree with me and I think it will.

One of the important things about this plan, as I visualize it, is that we will all come to know each other better. We will work better with each other, and we will understand each other better. If this program is as successful as I believe it can and will be, there

should be fewer grievances and they ought not to go beyond the foreman.

The foreman is the boss so far as the average worker is concerned. He looks to his shop steward to argue his grievance with his boss. When he realizes that his steward and his boss have come to an amicable and understanding relationship, then much of the difficulty goes out of the window.

Ninety per cent of your grievances are not serious, but if they are allowed to drag and lag they become like sores that fester. The quicker a grievance is settled, the smoother will be your whole relationship.

Legal documents, contracts, agreements, are of course your protection in the moment of battle. One gentleman, who is the head of a very large corporation, said to me, "What kind of a contract do you have with the union?" I said, "What difference does it make?"

And really, what difference does it make? If the company and the union are in complete understanding as to their eventual objectives, the contract becomes one of those things you file away quietly in a drawer, and only look at it once in a while to refresh your memory if necessary.

#### SINCERITY AN ESSENTIAL

Gradually, there has been built up between General Phillipson's office and the officers of the union a feeling that must exist if anything of this kind is to succeed — a feeling that there is sincerity from the top to the bottom.

I want to assure all of you — whether you are shop stewards or supervisors, foremen or the heads of divisions — that the top management of this business is sincere in its desire to create a harmonious relationship which will be of such a character that together we can carry on and make a great success, mutually, of this whole organization.

The men who have to sell our goods, if they are imbued with the same spirit that I am hoping we can pass right out through all of us here — that back of them is an organization that can make the best goods, the best fabrics, the best clothing, the best accessories,



and the finest cosmetics — have an edge on their competitors to start with.

If, on top of that, the quality of goods produced by this mill is uniform at all times, and the very highest that can be made in that particular product, the sales departments are strengthened and your security better assured. We are more interested in clothing for the people that Abraham Lincoln said he loved so much because God made so many of them, than we are in special high-priced fancies with small and costly production.

They are the people we want to clothe — the great mass of purchasers. Let us get together and do it as a Botany team. And let us root for the team as hard as you would for the football team of your old school.

Thank you. Success to you all. You will all do as well as you apply yourselves. And let us see when we get together next time if you won't say this is a grand proposition. Once more, to what Mr. Baldanzi has said here, I want to say "amen."

### Personnel Policies Established by Federal or State Laws

THE OBJECT OF THIS COURSE in labor relations as indicated in the introduction to the course is, through joint training of supervisors, shop chairmen, and shop stewards, to promote a better understanding of the employer-employee relationship in the Botany Mills, Inc., to impress all with the community of interest and responsibilities which the Memorandum of Agreement establishes, to become better acquainted one with another and to provide uniform procedure for dealing with problems and differences which arise in the course of the relationship.

Practical knowledge of labor relations and skill in the art of negotiation are today indispensable attributes of supervisory and union shop representatives. No function is more important than the supervisors' and union shop representatives' every day contacts and dealings with one another. The supervisor, the steward and the chairman are important individuals and are so recognized by the company and the union, which have joint responsibility in training them in correct and common understanding of their respective roles and in a judicial attitude on the harmonious relations which should exist among them. Patience, common sense, knowledge, firmness and fairness are other essential qualities which should be impressed on all concerned with collective bargaining. Much depends on these qualities which bear directly on the attitude and actions of workers and consequently on the success, efficiency, and security of the company and its employees.

All should understand, obey and enforce the rules which are established by competent authority to guide the activities and conduct of the company and its employees. The general personnel policies of the company include many such rules which, from the standpoint of source, can be grouped into the following three divisions:

1. Those which stem from United States or New Jersey laws.
2. Those contained in the Memorandum of Agreement.
3. Those based on recognized precedent, accepted practice or customs of the industry.

It is with policy from sources other than the Memorandum of Agreement that we are concerned at this time, inasmuch as the provisions of the Memorandum of Agreement are discussed at length in later sessions.

Policies established by law are binding on the company, its employees and the union. They are not restated in the Memorandum of Agreement, but all supervisors and union shop representatives should be accurately informed concerning the provisions of such laws and competent to act advisedly in enforcing them. Federal and state authorities charged with administering these statutes check observance of them through periodic inspections.

#### LAW AGAINST DISCRIMINATION

In New Jersey, the opportunity to obtain employment without discrimination because of race, creed, color, national origin or ancestry is recognized as and declared to be a civil right. To secure this the Act known as "Law Against Discrimination" was enacted. It provides that each of the following shall constitute an unlawful employment practice:

1. For an employer to refuse to hire or employ or discharge a person, or discriminate against him in compensation because of race, creed, color, national origin or ancestry.
2. For a labor organization to exclude or expel from its membership or discriminate against an employer or any individual employed by an employer because of any of the five circumstances indicated above.
3. For an employer or employment agency to advertise or circulate any statement or use any application for employment or make

any inquiry which expresses directly or indirectly any limitation, specification or discrimination because of any of the above five circumstances.

4. For any employer or labor organization or employment agency to discriminate against any person because he has opposed any practices forbidden under the Act or because he has filed a complaint or testified in any proceedings under the Act.
5. For any reason to aid, abet, incite, compel or coerce the doing of any of the acts forbidden by the "Law Against Discrimination."

It is apparent that the provisions of the above law are binding on the employer, the union, and the employees. Questions relating to place or origin of birth are excluded from pre-employment interviews and from applications for employment. However, this prohibition does not extend to personnel records made out after an applicant for employment has been hired.

To administer this law the Division Against Discrimination is set up in the State Department of Education. This division consists of the commissioner of education and seven members, each of whom is appointed by the Governor for a term of five years and confirmed by the Senate. These seven members serve without pay but are reimbursed for necessary expenses.

In order to follow out the educational provisions of the law, county Councils Against Discrimination have been set up throughout the state. The educational program of the Passaic County Council includes an employment study for informational and background purposes. The cooperation of local employers is sought in securing information regarding current hiring practices in the area.

The sponsors of the Act apparently hoped to secure the desired results through education and negotiation rather than through compulsion. The means provided for enforcement are indirect and not sufficiently drastic to compel prompt compliance with the law. Discrimination stems from prejudice which is, from its nature, unreasoning. Threats of force breed resistance and tend to hamper sympathetic consideration — not to promote it.

The Labor-Management Relations Act of 1947 is too new at this date to be of much more than academic interest as far as the labor relations policy of Botany is concerned. It is not anticipated that

there will be any change in the present cordial relations between the company and the union as the result of the new legislation.

Under the provisions of Chapter 102, Public Laws of New Jersey of 1945, migrant workers who cannot show evidence of examination for venereal disease, must be examined by a licensed physician chosen by the worker, or at a local clinic, and certifying cards issued to them. If migrant workers are employed, report of this examination must be made within five days to the State Department of Health. Migrant workers are any laborers, seasonal or temporary, entering New Jersey and living in a tent, vehicle, building or structure used as living quarters, directly or indirectly in connection with any work or place where work is being performed, whether or not rent is paid or reserved in connection with the use or occupancy of such premises.

The employment of minors and of women is restricted both by federal and state statutes. Federal law (Fair Labor Standards Act) prohibits the employment of children under 16 years of age in manufacturing occupations and of children between 16 and 18 years of age in hazardous occupations or those detrimental to health or well being. Under the laws of New Jersey, hours of employment of minors, number of days of work, and type of work are carefully regulated. Information concerning employment of minors under 18 years of age must be posted on forms prescribed by the state in the departments where the minors are employed. If any of your departments employ minors, you will find, posted on a bulletin board covering the affected department, the information required by state law. This information must be accurate and current because the Department of Labor, State of New Jersey, sends inspectors around periodically to check up. Penalties for non-compliance may be severe.

In New Jersey, women are not permitted to work more than 10 hours in any one day or more than 6 days or 54 hours in any one week. Nor are they permitted to work between midnight and 7 a.m. except during the present emergency. Seats must be provided for women and they must be permitted to use them except when engaged in duties which cannot be performed properly in a sitting position. Inspection is required and penalties are prescribed

for infractions of the regulations affecting minors and females.

The National Labor Relations Act, commonly known as the Wagner Act, is concerned with the rights of workers "to form, join or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in concerted activities for the purpose of collective bargaining or other mutual aid or protection." The Labor-Management Relations Act of 1947 modifies the provisions of the Wagner Act in a number of ways. However, for the time being, due to controversy concerning the provisions, which will entail court tests, and to pressure for amendments in the next Congress, acceptable interpretation of the new law is improbable until 1949.

The Workmen's Compensation Law is referred to but not restated in the Memorandum of Agreement. The State of New Jersey enacted this law to permit employees to recover damages when personal injury is caused to them by accident arising out of or in the course of their employment. A clear understanding of the difference between benefits accruing under workmen's compensation and group insurance is important. Under certain circumstances, either might be appropriate. The Memorandum of Agreement (Article VIII, Paragraph C) provides for payment from group insurance "for total disability due to sickness, disease or accident *not covered by workmen's compensation laws.*" If either might be applicable, recourse is first made to workmen's compensation. If this is found to be inapplicable, the employee may then apply for group insurance benefits.

#### ACCIDENT EFFECTS FAR-REACHING

Workmen's compensation includes benefits for death or disability either permanent or temporary. Amounts of payments for loss of limbs or parts thereof, other accidental injuries and occupational diseases are stated in the law. Weekly payments (maximum \$25, minimum \$10) are authorized during periods of disability not to exceed 300 weeks. Fifteen dollars per week for periods not to exceed 13 weeks is the corresponding maximum weekly payment provided under group insurance.

Mill accidents are the principal cause for payments under work-

men's compensation. While such payments furnish some indication of the extent of mill accidents, there are more important reasons for insisting on care to prevent such accidents. Among these are the suffering and permanent handicaps which these accidents occasion, the loss of morale incident to them and the interruptions in production which they cause. Because of the far-reaching effect of mill accidents, the need for accuracy, thoroughness, and promptness in the preparation of accident reports is apparent. Full, precise information secured at the place of accident at the time of occurrence, including the names of all witnesses, is invaluable for future reference and use. Copies of New Jersey's Workmen's Compensation Law are available at the Personnel Office and should be consulted if further information is needed.

It is the company's and the union's purpose to facilitate payments of both workmen's compensation and group insurance benefits if they are deserved. Only on rare occasions are there indications that an employee has taken unfair advantage in seeking benefits that were not warranted by the circumstances. Fortunately, such abuses are readily detected and there is no hesitancy either on the part of the company or the union summarily to remove offenders from the company's employ as soon as chicanery is discovered. The prerequisites are too valuable to countenance abuse.

The Fair Labor Standards Act became law on June 25, 1938. It is a federal statute intended to regulate minimum wages and maximum hours of employment. With certain limited exceptions, this Act applies to employees engaged in commerce, in the production of goods for commerce, and in occupations necessary to production. Covered employees must be paid not less than 40 cents per hour and not less than time and one-half their "regular rate" for time worked in excess of 40 hours per week. Certain criminal penalties attach for wilful violation. The language of this Act is not entirely clear and there have been many claims and suits filed by employees under its provisions for overtime and liquidated damages.

The G. I. Bill which is the designation usually given to the Selective Service Act of 1940 is another example of policy established by law. Its provisions are mentioned in the union contract

and discussion concerning it will be deferred until the contract is considered.

Other state and federal legislation directly affects your pay check. Federal law requires a deduction from your pay for income taxes, and also requires a deduction for social security purposes. State law requires a deduction for unemployment compensation benefits. Under present laws, one percent is deducted from your pay check for Social Security, and one percent for unemployment benefits with a maximum deduction permitted of \$30 each for the year. As far as income taxes are concerned, you pay on your income as prescribed by law.

#### OLD AGE BENEFITS

Old age benefits were established by the Social Security Act originally enacted into law by the Congress of the United States in 1935. It became "Federal Old-Age and Survivors Insurance Benefits" in 1939 but without change in the nature of the Act. The Act provides for the payment of benefits. It is not an insurance scheme.

Primary benefits are determined by a prescribed formula and tax to provide funds for payment of benefits is collected at identical rates from employee and employer. For a man drawing \$50 a week the primary benefit would be approximately \$35 a month. Originally the tax to be paid should have been two and one-half percent of an employee's pay during 1946, but Congress has legislated that this deduction from employee's pay remain at one percent for the present.

The following benefits are provided by the Act:

1. At the age of 65, primary insurance benefit is payable to every fully insured individual who is entitled to it.
2. At the age of 65, wife of primary beneficiary is entitled to benefit equalling one half of her husband's benefit, if living with husband.
3. Child under 18 dependent of primary beneficiary is entitled to one half of the primary benefit.
4. Widow of deceased fully insured individual is entitled to three fourths primary benefit at the age of 65.
5. Widows under 65 who have the care of children under 18 are



entitled to three fourths of husband's primary benefit.

6. Parents of fully insured individual are entitled at 65 to one half of primary benefit provided there is no widow and no child under 18.
7. Lump sum death payment for burial expenses, in amount equal to six times primary insurance benefit, is payable on death of any fully or currently insured individual provided there is no surviving child, widow or parent.

Ignorance of the provisions of social security law is said to cost those eligible for old age benefits millions of dollars annually. Ignorance of the benefits to which eligible persons are entitled and of the provision that payments cannot be made retroactively for more than three months are the commonest causes of such losses. The Social Security Administration operates on the principle that it should make every possible payment it can to the public and desires to assist every eligible person to become aware of his rights and to file a claim for benefits due. In New Jersey, recipients of state unemployment benefits are ineligible for federal social security benefits. In New York State, eligible persons can draw both benefits simultaneously. Field offices of the Social Security Administration are located in Jersey City, Newark, Elizabeth, Paterson, Passaic and Perth Amboy.

Unemployment compensation is a form of wage insurance which provides weekly benefits to eligible workers who are out of jobs or whose pay and hours are reduced below certain levels because of lack of work. Benefits are paid out of a fund built up by contributions of both employers and employees. The company's contribution rate for 1947 is 0.9, the same as it was for 1946. Since 1942, when the Act became effective, Botany Mills, Inc., has contributed to the fund \$1,586,509.96. The weekly benefit rate cannot be more than \$22 or less than \$9.06. Unemployment compensation cannot be drawn more than 26 weeks in any benefit year, under the provisions of the Act established on July 1, 1945.

The law provides for the postponement of the payment of benefits for any of the following reasons:

1. Quitting a job voluntarily without good cause.
2. Discharged for misconduct in connection with job.

3. Refusal to apply for job to which referred.
4. Refusal to accept a suitable job offered.

Postponement is for the week in which the act occurred and for the three weeks immediately following.

The law further provides that benefits shall not be paid for any week during which unemployment is due to a stoppage of work which exists because of a labor dispute at the place of last employment unless it can be established that the person seeking benefits was not participating in, financing, or directly interested in the dispute. If benefits are drawn by a person not eligible through non-disclosure or misrepresentation of a material fact, the law requires that such benefits be refunded and a \$50 fine can be imposed.

This law, like any other, is susceptible to abuse unless carefully administered. In some instances, \$22 a week free from payroll deductions has appealed more strongly to individuals than have regular jobs. Such abuses tend to discredit the law and to put a commendable security arrangement into the category of a racket. Careful supervision has reduced to a minimum misuse of this legal authorization among former Botany employees.

The medical establishment of Botany is charged with the responsibility of protecting and improving the health of the workers as effectively as possible with the medical facilities at its disposal. Contagious diseases which endanger the health of other employees, such as venereal disease, tuberculosis, measles, smallpox, various fevers and others must be rigidly controlled. If the hospital refuses to permit workers afflicted with a contagious disease to work, it is with the purpose in mind of protecting other workers as well as the sick. State health laws require segregation or quarantine of certain types of contagious diseases. When the medical director insists on giving blood tests to prospective employees who apply for work in the cafeteria, it is because the law requires that all food handlers be free from infection.

It has been the endeavor to cite only those state and federal laws which are of current interest to Botany employees, and dictate company policy of consequence to them. If time permitted, the list could well be extended to include many other statutory enactments of less immediate importance.

### Personnel Policies Based on Recognized Precedent, Accepted Practice and Customs of the Industry

PERSONNEL POLICIES directly cover the various phases of employment such as hiring, firing, training, handling, employees' services, health and safety; and indirectly, job evaluation, merit rating, promotions, transfers, seniority, layoffs, vacations, leaves of absence and collective bargaining. Manufacturing, distribution, fiscal affairs, legal matters and plant protection are also covered by company policy. These latter however do not particularly relate to personnel.

Company policies can change and do change from time to time due to conditions or circumstances. In fact, they must be carefully scrutinized and frequently revised to be sure that they reflect current practice. Exceptions must sometimes be made to existing policies. The persons who are authorized to make a policy can authorize exceptions to it, but no one else. The more frequently and carefully policies are revised, the less will be the need for exceptions to them.

It is convenient for those who are guided by policies to have the policies that they use available in a single volume. The union contract is published in this manner as are the Workmen's Compensation Law and state laws relating to employment of minors and females. However, these pamphlets are not arranged in the order which best suits the needs of the many persons who refer to them. On this account, employee handbooks and foreman's policy manuals are often utilized to group the company rules or policies which are of interest to particular classes or divisions.

For several years, the publication of an employees' handbook for Botany employees has been an approved project and a great deal of work has been done in preparing such a volume. This pamphlet will inform all employees concerning company policy with which they should be familiar and should relieve supervisors of the need of calling the attention of employees to routine mill rules.

The foreman's policy manual is a compilation of company policy for the use of supervisors. Its three principal subdivisions are ordinarily the duties of a supervisor, legislation, and company rules which cover all the activities of the mill with which a supervisor should be familiar. While the progress on this compilation for Botany supervisory personnel is less advanced than is that of the employees' handbook we hope to publish the manual promptly after the handbook appears. Both pamphlets must be revised periodically as misinformation or obsolete instructions can be and usually are more harmful than no information at all.

#### POLICIES AFFECTING PERSONNEL

In Session I, company policies which stem from legal enactments, either federal or state, were considered. Consideration is herein given to company policies affecting personnel which are neither based on legal enactments nor contained in the Memorandum of Agreement.

New employees are photographed and fingerprinted at the time they are hired and identification cards are issued to them at company expense. These identification cards provide the employee with a means for identifying himself without wearing a distinguishing button as was the common practice during the war. Protective clothing and safety materials will be issued to employees without charge when necessary to protect them from injury or to provide for their safety. In certain parts of the mill there are hazards which necessitate the use of protective garments. A medical specialist from the United States Health Service from time to time inspects the entire plant and recommends the precautions necessary to protect employees from acid burns and skin infections. Unfortunately, such safety equipment is sometimes cumbersome and uncomfortable to wear. Employees may refuse or neglect to wear it. If danger of

burns or infection exists, the wearing of such garments is mandatory both for the protection of the employee and the company. Except in cases where special protection is required, employees are expected to clothe themselves suitably for the work they perform at their own expense.

Changes of name or address must be reported promptly to the employee's immediate supervisor who will forward such changes to the Personnel Office through the superintendent of the department. It is most desirable that the number of the nearest available telephone also be known to the department and to the Personnel Office. Changes in this regard should be reported the same as changes of name or address. It may seem a minor point to anyone not charged with communicating with absent employees promptly, but incorrect addresses and no telephones are endless sources of annoyance to persons charged with such contacts. Unless the reporting of changes is insisted on and frequent check made to keep such changes current, personnel records rapidly lose their value and become worthless for practical purposes. It is a simple matter for supervisors and shop stewards to stay in touch with such changes locally and to see that they are reported. From time to time general checks of changes are made and almost invariably many addresses are found to be incorrect. The reporting of changes is of importance both to the company and to the union and must be insisted on by supervisors and union shop personnel.

Any employee against whom a garnishment or an attachment of wages is placed and who does not promptly arrange a satisfactory settlement thereof will be discharged by the company. Upon receipt of a garnishment or attachment of wages, the employee against whom it is placed will be called to the Personnel Office and given the opportunity to work out some financial arrangement for settlement. The services of the employee will be terminated unless satisfactory arrangements for settlement are made.

Employees called for jury duty in state or federal courts will be excused from attendance at the mill upon presentation to their supervisors of orders or subpoenas requiring such duty. Similarly, members of the armed forces will be excused from mill duties on presentation of proper instructions requiring their presence on tours

of military or naval duty for limited periods. In neither case will the company pay such employees during their absences from work.

Convictions for violations of the law are just grounds for discharge. The employment of employees so convicted will be promptly terminated unless conditions or circumstances warrant special consideration. The policy of Botany in respect to the hiring of persons who have been convicted of crime is liberal. If a convict has served his sentence or has been paroled, employment would probably be open to him unless he has been convicted of arson, robbery, rape or other crimes of violence. Botany is willing to give a convict a chance to go straight. There are in the employ of Botany right now men who have served time in prison for good and sufficient reasons. The case records of these men are studied, the parole officer usually interviewed, and if the convict is employed, he is placed under jurisdiction of our Director of Plant Protection. Our experience with workers who have prison records has been fortunate. No harm and much good have resulted from this policy of giving certain types of convicts a chance to become decent and law-abiding members of the community.

#### FACTORS IN RATING JOBS

Job ratings are made by the Plans and Controls Department and are reviewed by the superintendents of departments concerned. The following factors are considered when rating a job: experience, education, initiative; mental, visual and physical demands; responsibility, working conditions and unavoidable hazards. If a supervisor feels and can establish that a job rating requires revision he should inform his superintendent of the need for revision and his recommendations thereon. While the union does not officially accept Botany's method of job rating for the reason that it did not participate in making such ratings, it finds them useful in adjusting wage inequalities within the mill.

Smoking in the mill was for a long time severely restricted in conformity with state law. The reason was fundamentally one of fire hazard. Violations of smoking regulations are subject to fines in police courts. Where smoking is permitted, adequate fire protection must be provided. Under a recent liberalization of the

smoking rules in the mill, authorized protected areas have been designated for smoking in production locations. Smoking is permitted only in the designated areas, and notices posted therein convey the necessary information. The company and the union are jointly supervising smoking in production sections to effect compliance with existing instructions issued in the interest of fire protection and a full day's work.

Smoking is forbidden in the yard and in the mill elsewhere than in protected areas. Disobedience or evasion of these regulations results in prompt and appropriate disciplinary action. It is not fair or sensible to jeopardize the safety and jobs of workers by permitting a few to violate established rules. The new smoking policy is on a trial basis. The cooperation of workers is needed to permit it to become permanent. If the new policy results in waste of productive time by abuse of the smoking privilege, or increases the fire hazard, its continuance is doubtful. This is a joint effort in which the aid and cooperation of shop stewards is particularly essential.

Any employee caught stealing in the mill will be discharged by the company and prosecuted. Stealing is a miserable crime. A person who steals company property is a thief. A thief has no scruples. He can, and probably does, steal from his fellow workers. Petty larceny develops into grand larceny. Botany has never countenanced theft. Everyone caught — and it is repeated for emphasis — everyone caught has been discharged. This stern policy is as much for the benefit of the workers as it is for the company. The company can insure against theft. A worker is likely to be less happily situated.

The bringing of intoxicating liquor into the plant or the drinking of it in the plant is strictly prohibited. Employees reporting for work under the influence of liquor will be denied entrance to the mill. Employees who are absent from work due to the use of intoxicating liquor will be disciplined or discharged as appears appropriate.

Willful damage of company property or the property of others in the mill will not be tolerated and offenders will be disciplined as circumstances warrant. Instances of such damage without ap-

parent reasons have been reported from time to time and may occur again. Supervisors and shop stewards should be alert to detect such offenses and to report the perpetrators for disciplinary action.

Dangerous "horseplay" is forbidden in the plant and if engaged in will subject the participants to disciplinary action. This rule governs rough fun under circumstances that may result in danger of death to bystanders. Many accidents have resulted from horseplay. One Botany worker lost an eye because someone playfully threw an apple across the room. There have been cases, outside of Botany, where horseplay resulted in death. The guilty ones were sent to jail for involuntary manslaughter. To do anything to endanger the health or safety of others is an unsafe and dangerous practice.

Employees are not permitted to have personal radios on company property without the specific approval of the General Manager. Personal outgoing telephone calls must not be made unless the permission of the head of the department is first secured. In cases of emergency, an incoming personal call will be relayed to the person called when possible, or a message will be sent to the individual. Other than emergency personal calls from the outside will not be accepted. All employees are asked to cooperate as existing telephone facilities are scarcely adequate to accommodate company business. It is planned to provide special telephone facilities for outgoing personal calls as soon as arrangements can be made for installations.

#### TIME CARD REGULATIONS

All employees are required to punch their own time cards, and supervisors concerned will be present, if necessary, when time clocks are punched to insure compliance with these instructions. Instances have been called to the attention of the company where workers have punched the time cards of other workers either as a matter of convenience or with the intention to defraud the company. This practice is forbidden. Violators will be subjected to disciplinary action with discharge possible, if warranted.

Time cards will be punched not more than 15 minutes before the shift starts and immediately after the shift ends. Punching is per-



mitted 15 minutes before the shift starts solely to prevent blocking up or crowding at the time clocks. There is no intention nor will the company permit workers to start working on their jobs before the actual commencement of the shift. Nor will a worker be permitted to engage in any preparatory work prior to the commencement of his shift. This rule must be rigidly enforced. A worker whose shift calls for 8 hours of work will only be permitted to do 8 hours of work and not 8 hours and 5 minutes or 8 hours and 10 minutes unless the extra time worked is authorized and paid for. Overtime, as such, must be authorized before it can be paid and unless overtime is authorized no worker will be permitted to work more than his normal shift hours require. Infractions of this rule not only violate standard company policy but also provisions of the Fair Labor Standards Act. The penalties for such violations are drastic and costly.

If it comes to the attention of a supervisor or union shop representative that a worker starts ahead of time or lingers longer on the job than is required, these facts should be brought to the immediate attention of the superintendent of the department. Botany's policy is, and always has been, to pay a full day's pay for a full day's work. The union has agreed to cooperate with the company and to support its efforts to assure a full day's work on the part of its members. We do not permit more, nor are we satisfied with less.

No visitor will be permitted to enter the plant unless such entrance is authorized by a person competent to grant this permission. Requests to enter the plant for other than routine visits should be made to the General Manager as far in advance as is convenient.

There are other personnel policies of varying degrees of importance which might well be included in this list. However, a sufficient number has been assembled to establish the pattern for your consideration. It is unfortunate that many policies are in the form of "don'ts," as it makes for better human relations to tell people what they can do rather than what they cannot do. Many of the prohibitions are applicable to only a limited number of employees. It is a safe rule not to inconvenience the many because of the derelictions of a few.

No presentation of company policies would be complete without

reference to the need for courteous conduct on the part of all employees in dealing with others. Courtesy should not be construed as appeasement or indecision. One can well afford to be casual when his actions are agreeable to a fellow worker. But when one must be hard, courtesy will go a long way to soften the blow and save the feelings of others.

It is basic that the successful supervisor be able to manage the employees who work with him. The shop chairman and the shop steward are urged to assist in this task. Company policy is announced to guide supervisors and union plant representatives in carrying out their duties. It cannot be disregarded without impairment of authority. Know your company's policies, since knowledge is power. They provide a firm foundation for intelligent and appropriate guidance.

### Fundamentals Affecting Employer-Employee Relations

MUCH DEPENDS on the everyday relationship which exists between representatives of the company and its workers. If this relationship is impartial and understanding, both parties benefit; if combative and unfair, constant strife and bickering can be anticipated with disadvantage to all concerned. The union seeks to bring to the attention of the company unrest and dissatisfaction existing among workers in order to remove the causes of discontent and to promote harmony and mutual understanding.

Supervisors and union shop representatives are the agencies of management and of the union respectively, which are in immediate daily contact with workers and on whom rests primary responsibility for maintaining good employer-employee relations at the contact level. They are the ones that bring the policies, instructions, and decisions of management to the attention of individual workers and learn first-hand the workers' reactions to such policies, instructions, and decisions.

Muddled thinking is a serious obstacle to good present day employer-employee relations. Complaints, gossip, rumors, lack of confidence, anger, resentment, worry, fear, carelessness, bad habits, self distrust, envy, jealousy, selfishness, lagging, shirking, putting off — wherever they occur — fall into this category.

It is the company's intention to be fair and just in dealing with its employees. If, at any time, an employee feels that he has been treated unfairly, the company will promptly ascertain the full facts

in the case and either correct the action or inform the complainant of the reasons that corrective action is deemed unnecessary or inadvised. If management's policies, instructions, and decisions are clearly and correctly understood and interpreted by supervisors, shop chairmen and shop stewards, only the best employer-employee relationships should result. Misunderstandings, distrust, and controversies occur when orders or rules are obscure, inconsistent, indefinite, insufficient, or capable of more than one construction. Grievances follow, which, unless they are satisfactorily settled without delay, cause unrest and strained employer-employee relationships.

However honest the company's intentions may be, it is the employees' understanding and opinion of such intentions that establish the relations that exist between them. Botany is a large and diversified organization. It is impossible for those in charge to know by personal observation and contact the qualifications and performance of each of the more than five thousand employees. Reports, records and even hearsay must be evaluated to administer the affairs of so many persons. Deserving groups or individuals sometimes escape recognition. It is but natural for each one to be concerned with his own welfare and to be active in bringing it to the attention of higher authority.

## HANDLING OF COMPLAINTS

Complaints brought to the attention of management or union representatives may be fully justifiable. In such cases, prompt remedial action is important. Others may be based on incorrect opinion, misinformation or distortion of the facts although the aggrieved presents the complaint in good faith. He is entitled to a fair picture of the situation and a full discussion of the facts. To brush him aside with half truths or wisecracks does not make for good relations.

To workers in their groups, supervisors are management just as shop chairmen and shop stewards are the union. From the actions and judgment of these key persons, opinions are formed and attitudes are taken which, rightfully or wrongfully, vitally affect existing employer-employee relations.

It is important to examine accepted job relations and practices used by the successful supervisor, shop chairman and shop steward. At Botany, it is expected that minds be open to the viewpoint of others. Botany's motto is "More research and less tradition." The person who feels that his own ideas are always best and is unwilling to see the good in another's views is scarcely a capable leader of men. Willingness to listen and to give careful consideration to another viewpoint tends to keep one's mind open to new ideas. This is a simple principle that invariably applies in human relationships. Make it a practice to listen to what the other fellow has to say even though there is no agreement. In dealing with daily problems make sure that the facts are known. Do not stop with what the facts are thought to be, but check ideas with other foremen, shop stewards, overseers and interested persons. If necessary, consult the records, determine what has been done in other departments, check company policy and the union contract. In a discussion, the parties try to get the facts. In an argument, the most important consideration is winning, regardless of facts. At Botany, we are interested in "*What* is right — not *who* is right."

The supervisor, overseer, leadman, as well as the shop chairman and shop steward are concerned with the performance and direction of workers. In addition, the supervisor is interested in the better performance of his own job of being a supervisor. Throughout our conferences the term "supervisor" refers to a person in authority who has immediate responsibility for the job performance of one or more workers — an employee who is in charge of people or directs the work of others. In addition, a supervisor is a representative of the company, an instructor or trainer of men, the man who sees that the job is done correctly. He is the responsible individual who carries instructions from management to men.

The shop chairman and shop steward are union members who have been selected to represent employees eligible for the bargaining unit. They speak for the workers they represent. Supervisors must recognize them as the representatives of the workers eligible for union membership. They are also in immediate contact with management, and render valuable service in ironing out dissatisfaction, in increasing plant efficiency and in developing team play.

To develop team play is a fundamental objective of the Joint Training Course at Botany.

The qualifications of a good supervisor include the following: He must be competent to do the work performed by workers under his supervision, loyal to his men and his company, able to handle men and to carry out instructions. In addition, he should be safety-minded, fair and courteous and should discharge his duties faithfully.

There are five important needs for supervisors which are generally recognized as essential to their success and efficiency whether at Botany or elsewhere in industry. Two are matters of knowledge; the other three are skills.

A supervisor must have complete knowledge of the work he is called on to direct. This includes technical skill and mastery of the methods and details of procedure incident to the job. At Botany, due to the nature of the industry, the supervisor is concerned with materials, machines, tools, processes, operations and technical procedures. Knowledge of quality standards and of why the work is necessary, as well as familiarity with troublesome parts, safety and accident prevention are necessary.

#### RESPONSIBILITIES OF SUPERVISORS

The responsibilities of supervisors are varied and numerous. They must know and be prepared to assume these responsibilities. Botany policies, agreements, rules, regulations, safety requirements, schedules and interdepartmental relationships are included in these responsibilities. Botany supervisors, with the cooperation of shop stewards and shop chairmen, have the responsibility of carrying out directions of management in an efficient manner. They eliminate friction among workmen, supervise jobs in progress, eliminate accidents, foster good will between management and working force, improve attendance and get results.

A well-trained working force is built up by proper initial and advanced instruction. The ability of a supervisor to act effectively as an instructor is one of his important qualifications. Teaching is a primary duty of supervision. It is the responsibility of the supervisor to see that the men in his department are working correctly,

and to give them suitable training if they are not. Effective instruction of workers by supervisors will result in new and improved skills, less accidents, better understanding of the jobs and greater opportunity for advancement. Better production, reduced labor turnover, greater satisfaction, fewer accidents, and improved performance as far as scrap, rework and rejects are concerned are the fruits of effective training.

Improving methods involves utilizing materials, machines, and manpower more effectively through having supervisors study each operation in order to combine, re-arrange, and simplify details of the job. This is called job analysis and is a valuable aid in determining how to improve procedure and in finding better ways to do the job.

Leadership helps the supervisor to improve his ability in working with people. Forcefulness, a real interest in the well-being and welfare of the worker, a sense of fairness, kindness (without weakness) and sincerity are important qualities of the leader. A strong leader takes the initiative, is willing to assume responsibility and can carry through an undertaking. Finally, a leader, be he supervisor or shop steward, has the ability to win the loyalty and support of those with whom he works. Real leaders say and do the things which inspire in others and especially in those under their supervision the feeling that they are an important part in whatever is being done and the will to do their best.

These fundamentals when applied day in and day out, tend to keep relations among supervisor, union shop representatives and worker smooth and to avoid problems. By ascertaining the ways that problems arise, preventive action is facilitated. However, when problems do arise, there is an established procedure for handling these problems that make the action taken effective. The supervisors and shop chairmen and shop stewards are seldom born with such skill. They acquire it by actual practice. When this skill is acquired by supervisory and union shop personnel, they become effective in doing a good job. Complex and difficult as are the supervisor's and union shop representative's jobs the effective performance of them contributes immeasurably to good employer-employee relations.

Management is seeking output and quality. In this, the loyalty and cooperation of people are as essential as machine efficiency. The purpose of these meetings or conferences is to improve this loyalty and cooperation through intelligent action. When a machine is installed in a department, a handbook comes with it, or there may be a mechanic specially qualified in the operation of that particular machinery. Perhaps directions are available to maintain it in good working condition. Breakdowns are anticipated and remedied. Supervisors break in new people all the time, but handbooks do not come with them. These new persons must be kept in top form. But how? What happens if they fail? Employees are inclined to judge the whole plant in terms of the treatment they receive from their immediate supervisors. As time goes on, more men and women will have to assume supervisory responsibility. New supervisors must learn to work through people quickly. Supervisors can get their jobs done well only through the cooperation of the people whose work they direct. Supervision is faced with the problem of securing the cooperation of people who have never worked before and of people who have had steady work but of a different nature. Newly appointed supervisors may also have the problem of securing the cooperation of people who know more about the technical aspects of the job than they themselves do and who have had many more years of experience.

#### TRAINING IN LEADERSHIP

To meet such problems, training in leadership is necessary. Leaders may be born with the gift but training develops and improves it. This skill of working with people and of inducing people to work with you has long been recognized as a "must" of good supervision. Good supervision implies that the supervisor gets the people in his department to do what he wants done, when it should be done, and the way he wants it done, because they want to do it. This is the standard that Botany is seeking.

The diagrams shown on next page illustrate that the supervisor who is responsible to his superior for all the items that make up the list of supervisory responsibilities is able to accomplish these by means of people. Thus, a supervisor can get results only



through people. The relationship that exists between the supervisor and the people is called job or human relations.

The what, how and why of supervision have been effectively grouped in the diagram that follows:

<i>What</i>	<i>How</i>	<i>Why</i>
Selecting Interesting Teaching Measuring Rating Correcting Eliminating Commending Rewarding	Fairly Patiently Tactfully	In order to cause workers to do as- signed tasks
		Skillfully Accurately Intelligently Enthusiastically Completely

## ELEMENTS OF SUPERVISION

A supervisor is charged with these responsibilities and gets results through persons

Job Relations  
 Morale and Welfare  
 Production Schedules  
 Efficiency Costs  
 Grievances and Complaints  
 Provisions of Union Contract  
 Safety and Good Housekeeping  
 Quality and Workmanship  
 Time Worked  
 Maintenance  
 Training  
 Direction of Working Force  
 Enforcement of Company Policy

Individuals are swayed by diverse but powerful influences

Health  
 Job  
 Family  
 Interests and Feelings  
 Background  
 Muddled Thinking

## FUNDAMENTALS OF GOOD RELATIONS

Let each person know how he is getting along.

Give credit when due.

Make best use of each person's ability.

Tell person in advance about changes that will affect him.

Do not make promises that cannot be fulfilled.

### The Solution of Problems Which Occur in the Employer-Employee Relationship

A PROBLEM IS AN ISSUE on which representatives of the company and of the union are required by the Memorandum of Agreement to reach an agreement and to take suitable action. Questions and situations arise which may and often do present perplexing, disturbing, puzzling or irritating problems. Solutions, satisfactory or acceptable to all concerned, are difficult to reach, as human behavior, relationships and backgrounds are involved. These seldom follow predictable patterns. The incidents which reflect them may well be the result of emotional or sentimental outbursts rather than of rational thinking.

There is no set formula by which such problems can invariably be resolved. However, a simple, systematic, intelligent approach to them will help to penetrate the curtain of uncertainty, concealment and doubt which surround them and may lead to logical and just conclusions. The value of such a procedure is not confined to labor relations problems but is applicable to any situation in which correct evaluation is important.

There are, in general, a number of logical steps into which this approach to a problem can be broken down. These are as follows:

1. Determination of exact nature of problem.
2. Information concerning matters which disprove the contention.
3. Information concerning matters which favor the contention.
4. Consideration of various courses of action open.
5. Decision on fairest and most feasible course of action.

6. Action taken to carry out decision.
7. Follow-up to ascertain the effectiveness of the action taken.

In the four-step method for solving a problem which was contained in the Job Relations Course of the Training Within Industry Program, the above seven separate steps were combined into four as follows:

- a. Get the facts (Steps 1, 2 and 3 above).
- b. Weigh and decide (Steps 4 and 5).
- c. Take action (Step 6).
- d. Check results (Step 7).

There are advantages at the beginning to break the procedure down into its seven constituent parts and to follow it through in slow motion. Later, when familiarity with the method of analysis and skill in its use have been attained through practice, the procedure may be condensed into the four-step method which shortens the process by combining some of the intermediate steps. Eventually, the process is followed subconsciously.

#### SEEING THE PROBLEM CLEARLY

At the outset, it is of primary importance to ascertain the exact nature of the problem. Not infrequently, grievances prepared in writing have been processed through departments and have reached the labor relations office, only to reveal that the investigations made in the preceding steps were not applicable to the actual grievance. The reverse is equally true. Investigations initiated in higher echelons sometimes do not reflect the true causes of complaint when the facts are checked at the sources.

The reasons are readily apparent. Some Botany employees have difficulty in expressing themselves adequately. Some speak English poorly or not at all. Not infrequently, a shop steward or some other employee is asked to put the statement of the aggrieved person into writing. A misconception of the basis for complaint may ensue. It is not enough to take action on the case as presented if the real grievance is garbled or misinterpreted. The purpose is to clear up difficulties which interfere with operation. This can be done only by establishing the exact nature of a grievance and either removing the causes for it or by satisfying the aggrieved

that the complaint is unwarranted. The solution of any problem other than the one that is troubling the aggrieved person complicates rather than settles the difficulties and adds to the discontent of those who feel that they have cause for complaint. Be sure of the facts that are applicable to the problem presented.

Facts are not always readily obtainable as they may be colored by opinions or sympathies or emotions. Self-interest may lead to concealment or misrepresentation of the facts. Witnesses may be reluctant to talk or may be misinformed or inclined to deceive. Patience and experience are needed to sift out the true and pertinent from the false or immaterial. Unless the facts are secured, correct conclusions are seldom reached.

#### MULTIPLE SOLUTIONS

Information may oppose or it may support a contention. For instance, it can happen that an employee's "take home" is no greater than it was before a recent increase in wages of fifteen cents an hour. He may contend that he is required to handle more difficult materials than formerly or the same amount of material in less working hours or that his job description has been changed without compensating for an increased work load. Any of these might reduce his "take home" unjustifiably. On the other hand, the company may feel that none of these contentions are true and that the falling off in wages is due to a slow down, intentional or otherwise, or due to normal circumstances or to carelessness of the aggrieved in performing the work assigned. It is the truth that both the company and the union are seeking and no effort can be spared to determine the true causes of the discrepancy. The facts speak for themselves and must be diligently sought and accurately reported, whether they support the contention or refute it. Otherwise, a just solution of the problem is improbable.

There is usually more than one solution for a problem. Each of these should be carefully set down and its advantages and disadvantages examined and recorded. After the pros and cons have been sought out and set down, the pattern of the ones that best solve the current situation begins to emerge. Gradually the less applicable or acceptable decisions are eliminated, leaving only one

or two for final selection. If two courses are equally fair and acceptable, it makes little difference which is chosen. If one reasonably exceeds another in propriety, the final decision becomes more and more clear as consideration and deliberation are extended.

After the decision is reached, action is needed to make the decision effective. Suppose the decision is to increase wages in certain occupations in conformity with a decision arrived at in the fourth step of the grievance procedure. It is not sufficient merely to notify the Payroll Department to change the pay rates. Copies of the wage change must also be sent to each of the following:

Superintendent of Department

Treasurer

General Manager

General Superintendent

Plans and Controls Department

When a decision is suitable and approved by proper authority, the action to make it effective must insure compliance with the decision. The timing is important in converting a decision into action. In general, action should follow the decision as promptly as can be satisfactorily arranged. Otherwise, much of the effect of the action might be lost.

Taking action does not end the procedure. There must be a follow-up to insure that the action is effective. Otherwise, the results obtained may be negligible. Just as supervision is essential to production, follow-up is necessary to carry out action.

In getting facts, review the record — apply company rules and plant practices that pertain to the problem. Opinions and feelings are important, since what a person feels or thinks, whether right or wrong, is a fact to him and must be so evaluated. Be sure that you have the whole story.

In considering the various courses of action open and deciding on the best one, gaps and contradictions in the evidence must be looked for. Check union and management practices and policies. Also, determine the relation of one fact or set of circumstances to another. There may be several courses of action open. The effects of courses of action on the objective and on individuals, groups and production are important and should be carefully weighed.

Conclusions must be arrived at through logical reasoning — not jumped at.

In taking action, it is essential to make up one's mind whether one can handle the problem alone or needs help in handling it. The advice of other supervisors in the department or elsewhere in the mill who have had similar experiences may be helpful. Information and counsel can be secured from the mill hospital, the Payroll Department, or the Industrial Relations Department. Their services, facilities and records are available for use. The buck must not be passed. It is a poor practice. The timing of your action is important.

In checking results, it is important to consider both how to follow up and when to follow up. As soon as results can reasonably be expected, the initial check should be made. Changes in output, attitudes, and relationships are important indications. The effect of the action on the group as well as on the individual and the objective should be noted and considered. The effect of any action on discipline and on production should be noted. Too much should not be expected at the outset. A check should be made to determine whether the action taken strengthens employer-employee relations.

#### BREAKING DOWN RETICENCE

It is not always possible to get employees to talk frankly about personal matters. Some are reticent or secretive; others may feel that it is none of the supervisor's business. No set rule will suffice. Human beings do not react identically under all situations. If a witness is uncommunicative, discreet inquiry elsewhere may clear up a situation. But beware of gossip and loose talk unless they can be verified.

Information concerning the personal affairs of employees is confidential and should not be disclosed or passed on indiscriminately by supervisory personnel who secure it in the course of their work. The underground flourishes on such breaches of trust. To violate a confidence is to destroy it.

Opinions and feelings are not easily learned. Facility in learning them is a skill which can be improved on and developed by practice. Once acquired, this skill is one of the supervisor's most

useful tools. Some persons are poor investigators but all will improve with study, practice and close attention.

Arguing with a person will not clear up a situation. Only through a sympathetic and understanding approach can the facts be secured. It takes encouragement and mutual respect for a worker to confide in his supervisor. As a rule, people will talk frankly of matters which are important to them, once their lips are unsealed and their confidence is secured. It is a safe rule not to interrupt such disclosures. Questions should be saved to the end. Once the flow of information is stopped, it may not be resumed or the interruption may steer the talk into channels less informative or desirable. To argue with an employee is as useless as it is unnecessary. Winning an argument does not settle an issue. It may please the vanity of the winner but it certainly does not lead to understanding or mutual respect.

It is another safe rule not to do all the talking. Let the other fellow talk. Listening is one of the greatest assets of a trouble shooter. People like to get their troubles off their chests and react favorably to patient and sympathetic listening. To get opinions and feelings, the supervisor must be a good listener.

The logical approach to a problem as discussed in this session can be as useful to shop chairmen and shop stewards as it is to supervisors. The relationship of the supervisor and union shop representative in solving joint problems will be taken up in detail later. The logical approach to a problem furnishes the basis for a correct estimate of a situation for anyone who requires the facts in order to take appropriate action. *Get the facts* and act in the light of them is a safe rule for anyone who is required to investigate, decide and act.

This session is concerned with the procedure for solving problems. Principles and methods have been discussed. The next step is to apply these generalities to the solution of concrete problems. It is hoped that the entire class will participate in solving the examples presented at the next session. Familiarity with and skill in the procedure are the keys to a workable solution of an actual problem.

In conclusion, it is well to review the general steps through

which a problem is logically approached in their relation to the four-step method for solving a problem.

Determination of nature of problem	}	Get the facts
Information which opposes		
Information which favors		
Consideration of courses of action open	}	Weigh and decide
Decision on which course to follow		
Action to be taken to carry out decision	}	Take action
Follow up to make decision effective	}	Check results



### Practical Exercises in the Solution of Problems—Presentation of Typical Cases

AT THIS SESSION, two problems similar to ones which have actually occurred at Botany were given to each class for solution. The entire class participated in the exercise. The purpose was to familiarize participants with the solution of problems using a logical method of approach.

#### PROBLEM I

Violet Ray, check No. 4562, was hired by the company as a drop wire hand in the Weaving Department in February, 1936, and has been in its employ continuously since that date. Her record of attendance was excellent and the service she rendered was entirely satisfactory up to August, 1944, when she was hurt in the course of her employment through a misstep in the mill, as a result of which she claimed that she had received a painful back injury. As a result of the injury, she was awarded workmen's compensation for temporary disability at the rate of \$20 a week for 17 weeks. She was back at her job early in January, 1945, and worked until the end of March, when she was out again due to a leg injury which she claimed was the result of stumbling and falling at home. As a result of this accident, she drew group insurance amounting to \$15 a week for 13 weeks and did not return to the mill until after the Fourth of July, 1945. She worked through the summer without further absence, but shortly after Labor Day she claimed that she had caught her hand in the door of a mill dressing room and had

injured it. As a result of the alleged accident, she was again out of the mill until after Thanksgiving, returning to work on December 2, 1945. Instructions had been sent to Violet's overseer by the Personnel Department not to permit her to start to work until she had reported to that office. Shortly after she arrived at the Personnel Office, the Director of Personnel telephoned to the overseer that it was suspected that she was a malingerer and that it was desired that the overseer investigate the circumstances, and report his conclusions at the earliest practical time. The overseer discussed the matter with the shop steward who stated that no one in the group knew Violet well; that apparently no other member of her family lived in this vicinity; that as far as he could learn by inquiry her reputation was good; but that the Passaic doctor who treated her had at one time or another been engaged in questionable practices. This class now takes the place of the overseer. The approach to the problem is through the logical procedure presented at the previous session. A review of that procedure follows.

Determination of nature of problem	}	Get the facts
Information which opposes		
Information which favors		
Consideration of courses of action open	}	Weigh and decide
Decision on which course to follow		
Action to be taken to carry out decision	}	Take action
Follow up to make decision effective	}	Check results

Please do not discuss or show this problem outside of class or give out any information which might influence the thinking of later classes.

## PROBLEM II

Terry Long, check No. 5960, and Biff Harder, check No. 5980, are transporters in the Office and Delivery Department of Botany. On January 10, 1945, about 4 p.m., Harder called Long and asked him to help lift a heavy package from a truck. Long refused, saying: "That is not my job." Harder called to a supervisor, Hy Level, who was in the vicinity and said: "Long does not want to help me dump my packages." The supervisor gave Harder a hand.

Around 9 p.m. that evening the guards on duty at No. 2 gate received a phone call that there had been a fight in the Office and Delivery Department. One guard started immediately for that location but on his way over met Terry Long going to the hospital. His face was covered with blood and he was cut on the side of his head. Long was badly confused so the guard, after turning him over to the nurse on duty, proceeded to the location for which he had started.

Upon arrival, the guard found a supervisor, Lowe Cadre, and Harder in conversation. The supervisor stated that he had heard that the two men were quarreling and had found Harder with a large, two-pronged iron hook in his hand. Harder stated to the supervisor that Long had been hurt by falling against a truck. Later in the hospital, Long admitted that Harder had hit him with the hook more than once.

Harder was kept in the mill until the end of the shift, when it became apparent that a few stitches would put Long back on the way to recovery. Harder was then sent home. The next morning the city police picked up Harder for assault but later were forced to let him go as Long refused to make a criminal charge against him.

Long was treated at the Passaic General Hospital and ten stitches were taken in his head for which treatment a charge of \$10 was made. He lost five days' work due to his injury. He refused to discuss the matter in further detail than is shown above or to charge Harder with an unlawful offense.

Long has been in the employ of Botany since 1920 and is sixty years of age. He is well liked and unassuming. Harder is considerably younger and has been with the company since 1943. Harder is not a good mixer and remains by himself a great deal. He is a very good worker. There is no evidence of previous trouble between the two.

The class is the general overseer in the department, who was called into the Superintendent's office on January 16, 1945, informed of the above and told to recommend the action, if any, that he felt the company should take under the circumstances. The superintendent also requested that the general overseer let him

know whether any workmen's compensation or group insurance benefits were due to Long.

A group solution by the class is desired. Please do not discuss or show this problem outside of class or give out any information which might influence the thinking of later classes.

## Grievance Procedure

IN THE MEANING of the Botany-Union Memorandum of Agreement, the term "grievance" is a complaint based on either a real or imaginary cause for dissatisfaction which an employee feels the company should adjust. Thus a grievance presents a problem (see Session IV) on which action must be taken. Good faith, confidence in each other, a cooperative spirit and mutual respect are necessary in settling grievances to the mutual satisfaction of the company, its employees, and the union. Honesty of intent and the belief that plant problems are matters of mutual concern are more important than the strict language of the agreement. Responsibility on both sides is indispensable. A grievance procedure is no better than the men — company and union representatives — who operate it. This is equally true of all industrial and employee relations.

While the contract does not specifically define a "grievance" it provides in Article IX, Section A: Should an employee have any grievance, an earnest effort shall be made to adjust such grievance immediately in the following manner:

<i>Steps</i>	<i>Participants</i>	<i>Days Allowed for Adjustment</i>	<i>Remarks</i>
One	Aggrieved employees Shop steward Immediate superior in the aggrieved employee's department	One	Grievance considered orally
Two	Shop steward Overseer	Two	Grievance in writing and nature stated fully and completely

<i>Steps</i>	<i>Participants</i>	<i>Days Allowed for Adjustment</i>	<i>Remarks</i>
Three	Shop chairman Superintendent of division	Four	The Business Agent has right to appear at any step in the grievance procedure
Four	Business Agent of union Director of Labor Relations	Seven	
Five	Personal representative of President of Botany and personal representative of President of national organization of the union Director of Industrial Relations and Business Manager of union now designated	Seven	If grievance is not adjusted within seven (7) days under Step V, either party may demand arbitration thereof before the permanent arbitrator

Provisions of law effective August 23, 1947, affect the foregoing procedure. Any individual employee or group of employees shall have the right at any time to present grievances to their employer and to have such grievances adjusted, without the intervention of the bargaining representatives, as long as the adjustment is not inconsistent with the terms of a collective bargaining contract or agreement then in effect; provided further, that the bargaining representative has been given opportunity to be present at such adjustment.

It is apparent from the foregoing that a grievance in the language of the contract is not limited to violations of the contract. It applies to any complaint of a worker concerning wages, hours, or conditions of employment which the worker feels the company should adjust. The field for possible grievance is broad and the prompt, fair, and honest adjustment of grievances should be the purpose of all persons engaged in handling them. Among the working relations which may occasion grievances are the method of making promotions; the assignment of jobs; the choice of shifts; working conditions; health and safety; discipline; and other matters. Some problems arise which were not foreseen and for which no provision was made in the agreement. The provisions of the agreement may be ambiguous. Gaps must be filled in. Ambiguous clauses require clarification or interpretation. In addition, complaints or grievances of individuals need to be adjusted.

Despite the importance of the role of the immediate superior of the aggrieved employee in the first step of the grievance procedure it is but one of the many responsibilities devolving on him. The shop steward is elected by his fellow workers principally for the purpose of representing them in the first and second steps of the grievance procedure. The supervisor can delegate none of his responsibilities to the shop steward; nor can the shop steward accept or carry out the responsibilities of the supervisor. Each, however, has certain responsibilities common to both. One of these is to participate in the grievance procedure; another is to get the facts concerning grievances; a third is to avoid work stoppages which interfere with production. Both are employees of the company and as such have the group and individual responsibilities incident to such employment. It is in these common fields that the two must work harmoniously together without either surrendering the authority peculiar to his status as supervisor or shop steward.

#### TRAINING PLUS AUTHORITY

For the immediate superior of the aggrieved employee to be effective in the grievance procedure, he must have sufficient authority backed up by adequate training in labor relations. The same is true of the shop steward. If either is lacking in these essentials, the settlement of grievances at the first step, however desirable, will be uncertain and disconcerting.

While the contract sets forth the general procedure for handling grievances, it does not go into the details of the actions of company and union representatives in settling grievances. Nor is a rigid formula desirable or necessary. There are, however, certain usual practices which are not necessarily invariable. One of the purposes of this instruction is to provide uniformity in this procedure throughout the mill.

The grievance procedure ordinarily commences with a shop steward's approach to a section hand to get the latter to take some action in behalf of an aggrieved worker whom the shop steward represents. The grievance procedure, however, may commence with the worker's complaint to his supervisor without going to the shop steward. Before contacting the section hand, the shop steward

should get all the facts he can. He has first-hand knowledge of the workers for whom he speaks and of conditions as they exist locally. He should be familiar with the provisions of the Memorandum of Agreement and their meaning as well as with policies enacted into law or sanctioned by practice or precedent (see Sessions I and II).

The aggrieved worker's story does not necessarily bring out all the facts. It may be important to ascertain the reasons for an action of which the worker complains. The shop steward should not hesitate to seek facts from supervision prior to presenting a grievance. It may be that the worker is mistaken regarding the facts or his interpretation of them. It is better for the shop steward to discover discrepancies through his own efforts rather than to be apprised of them by the supervisor. If there is no real reason for the worker's dissatisfaction he should be told so from the beginning. The screening of complaints seemingly without merit at this stage saves time and benefits both the company and the union. But the shop steward should be sure of his position before telling the worker that there is no cause for a grievance. It may be advisable for the shop steward to get the point of view of union officers or of the business agent. The steward is elected as the worker's representative and not as an impartial judge. He must give the worker the benefit of any reasonable doubt.

#### BASIS FOR GRIEVANCE

Grievances should be processed only when there is a real basis for complaint. If, after careful investigation, the shop steward is convinced that there is insufficient cause for a grievance, it should not be presented to the supervisor. Insistence on the consideration of grievances for which there is no justification weakens the position of the shop steward. The disappointment of the complainant will be keener if the grievance is taken up and lost than if he is convinced at the outset by the shop steward that there is no cause for action. It is important that the complainant understand clearly why the shop steward believes that it is undesirable to proceed further with the grievance. This should be fully explained to the worker as well as his right, if he is not satisfied with the explanation, to appeal to the shop committee, the executive board, mem-



bership meetings, and the business agent to secure their decisions in the matter.

There are two kinds of grievances — real and imaginary. Both are important to the persons voicing them and, either, unless properly settled, may lead to circumstances at variance with the common good. Plain kicks or gripes are a healthy manifestation in any organization. To stifle expressions of dissatisfaction is a disservice to the company, its employees and the union. To dodge the issues, to postpone them, or to make fence-straddling decisions serves no useful purpose and destroys confidence.

A grievance satisfactorily settled makes a favorable impression on all concerned in it. A grievance dodged, half settled or ignored creates dissatisfaction, distrust and doubt and leads to future trouble.

It is unwise for the shop steward to promise a favorable settlement of a grievance. If the results do not justify the promise, the worker will be disappointed because a grievance, the outcome of which he fully expected to be in his favor, has been decided against him. If the outcome is favorable to the worker, his pleasure will be greater because of his winning a decision regarding which he had no assurance.

By the same token, management at every level should consider each grievance carefully and fairly. Whether the grievance is granted or denied, the reasons for the company's action should be made clear to avoid the impression of arbitrary action, to instill confidence, and to secure respect for its judgment and understanding.

Having satisfied himself that a grievance can be justified, the shop steward accompanied by the worker presents the facts, as he understands them, orally to the section hand for consideration and decision. The advisability of settling grievances in the first step, if at all possible, is apparent. Settlement is made by the representatives of the company and the union most closely in touch with the aggrieved worker and the situation. The matter is disposed of without committing it to writing. Time, effort and money are saved. Grievances can be most expeditiously settled at this level. Such settlements bring prestige to section hand and shop steward, establish their leadership and strengthen the relationship.

The worker may contact the section hand instead of the shop steward to present a complaint, suggestion or request which may or may not be a grievance in the meaning of the contract. If a real grievance exists, the supervisor should ask the worker if he desires that the shop steward should make an investigation of the facts. If the worker desires to represent himself without the shop steward, the supervisor must make an investigation of all the facts and circumstances on which the grievance is based. The shop steward always has the right to be present at the grievance hearing.

#### MINOR ADJUSTMENTS

However, many complaints, requests and suggestions voiced by workers do not constitute grievances within the meaning of the contract and these the section hand must handle with or without the assistance of the shop steward, as circumstances appear to warrant. Minor adjustments such as simple payroll corrections are examples of these. Another problem with which the section hand is primarily concerned occurs when he is dissatisfied with the conduct or the work of one or more members of the group under his supervision. The advice of the shop steward regarding facts, feelings, attitudes, the union's viewpoint, etc., can be of inestimable value under these circumstances and should be sought as a rule. The decision and action taken, however, are solely responsibilities of the section hand and cannot be delegated to the shop steward.

At step two of the procedure, the section hand should be present if needed, and information which he has collected and evaluated should be available to the overseer. Similarly, the shop steward should be present, accompanied by the aggrieved worker if the latter's presence is needed; or the worker may represent himself if he so desires, providing that the shop steward is given an opportunity to be present. The tendency in Botany has been to gloss over Step One of the procedure and to go at once to Step Two. This distortion of authorized procedure can be justified only on the ground that the section hand lacks authority or is incapable of performing the prescribed duties. In either case, by-passing him would not appear to be the proper remedy. Better settlements are frequently possible at the outset than at later steps. If grievances cannot be

satisfactorily settled in Step One, settlement in Step Two of the grievance procedure is unlikely unless additional facts are secured or the authority and experience of the overseer are essential to reach a settlement. Overseers have an exceptional opportunity to examine into operational and maintenance problems at their sources. If, in addition, they are fair and reasonable and are alert to their responsibility to maintain production, much benefit can result from their participation in the grievance procedure. The services of the Labor Relations Section are always available at any step of the procedure for advice or technical assistance.

Consideration of the grievance procedure indicates that a grievance, if unsettled, should reach arbitration 21 days after it first gets to Step One. Unfortunately, grievances are not invariably settled as promptly as the Memorandum of Agreement procedure provides. Unless a grievance is of particular import, consideration in later steps is sometimes delayed and final settlement is deferred. Time limits provide a safeguard against stalling and the accumulation of cases. It helps employees' morale to have definite time limits within which action on their grievances can ordinarily be anticipated. Time limits should be sufficient to permit proper investigation and to give the parties the opportunity to cool off. They should be short enough to expedite settlements and to move unsettled issues to top management without unnecessary delay.

The Memorandum of Agreement particularly specifies that a grievance arising out of discharge or disciplinary action must be presented in five days after occurrence or otherwise it shall be deemed to have been abandoned, and if a grievance arising out of discharge or disciplinary action is not adjusted within four weeks after the initiation of the conferences under Step One or has not proceeded to arbitration within that period, the grievance shall be deemed to have been abandoned. The need for limiting dates for the presentation of grievances arising out of discharge or disciplinary action is apparent. Otherwise, assurance that such grievances have finally been adjusted might be indefinitely postponed and the uncertainty of final disposition might well be a constant source of irritation and annoyance.

Grievances must be put in writing by the shop steward or the

worker for presentation under Step Two and the nature of the grievance must be stated fully and completely. Written presentation discourages petty complaints and expedites settlement by establishing and clarifying the record. It is useful as a check on supervision and on shop stewards. Writing is deemed necessary to provide a basis for discussion in the later steps of grievance procedure and to insure that the grievance does not change form and is correctly interpreted in the various stages of discussion. The complainant is required to sign the grievance, which tends to keep the facts straight. Union instructions require that the union grievance be prepared in triplicate on a prescribed form. One copy remains with the shop steward; another is for the company, and the other is for the union.

#### GRIEVANCE FORM INFORMATION

Union representatives as well as representatives of the company attend at the various grievance procedure steps if their presence is required. Heretofore, the union grievance form has been the sole record available to the company. This form includes the following information:

- General facts

- Number of local union

- Date

- Aggrieved employee's name and address, department, shop, union ledger number

- Concise and clear statement of grievance clause of contract violated if contract is involved

- Request for adjustment

- Signatures of aggrieved employee and shop steward

The Memorandum of Agreement provides (Article IX, Paragraph D) that the shop steward and/or when necessary the shop chairman shall be given such time off with pay as may be required to adjust grievances. Grievance pay is desirable and worthwhile because it facilitates prompt settlement of grievances, helps morale and plant efficiency, attracts better union shop representatives and results in more efficient handling of grievances. The union instructs its stewards in the proper use of grievance time and does not coun-

tenance abuse of the privilege. As a result, it has been unnecessary for the company definitely to restrict the activities of this personnel. No better example of the cordial relation that exists between the company and the union in Botany is needed than to note the freedom with which these key men of the union are permitted to circulate for grievance work. It is the practice to reimburse union shop personnel for time lost in grievance activities by insuring "average earnings."

Responsibility for correct and effective grievance handling in the initial steps of the procedure rests primarily with supervisors and shop stewards. Competent supervisors and union shop personnel must also be skilled in eliminating conditions which give rise to grievances. An understanding of the more common causes of grievances is essential in eliminating them. Unfortunately, records of the grievances and their causes which have been settled in the first three steps of the grievance procedure have not been preserved. Such records should be available for study and analysis. A plan has been proposed to provide these records. It will be discussed in the next session.

#### IMPORTANCE OF FUNDAMENTALS

The fundamentals affecting employer-employee relations were discussed in Session III. The successful supervisor appreciates the importance of these fundamentals in his daily contacts with other employees. He remembers to explain to workers the reasons behind orders and supplements explanations by careful instruction. Machines and tools are checked regularly together with safety guards and general working conditions. Shop stewards and workers are encouraged to make suggestions, and efforts are constantly exerted to improve working conditions and general plant efficiency. Fair and considerate treatment is accorded to all and promises once made are kept.

The primary purpose of instructing supervisors and union shop personnel in a logical procedure for solving problems (Session IV) was to provide a ready and effective means for reaching correct conclusions in solving grievance problems. Hear the case patiently. Ask pertinent questions to shed more light on the problem. Get all

the facts. Study the records — medical, personnel, pay. Be sure you have the whole story. Explore thoroughly.

When all the facts are before you and you are satisfied that there is no additional information available that bears on the problem, weigh these facts carefully. Fit them together. Consider laws that affect the problem, company rules and the Memorandum of Agreement. Set down the possible actions. Consider their effect on the individual, the group and on production. Will one or more of the actions accomplish your objective? Choose the one that accomplishes it best. That is your decision. Take action to make that decision effective. Check up to make sure that the action taken is effective.

### Grievance Reports and Records

THE FORM AND NATURE of grievance reports used by the union were indicated in the preceding session. One copy of each report is furnished to the company for its information and use. The purpose of the report is to facilitate the processing and settlement of grievances as well as to preserve a record of them. These union reports are excellent for the purposes for which they were designed. However, there is need of further information to assist the company and the union in improving employer-employee relations at the workers' level.

Grievances are not committed to writing until they reach the second step of the grievance procedure, yet the great bulk of complaints originate at the section hand level and can best be settled there. Under current arrangements, top management has only cursory or hearsay knowledge of dissatisfaction or discontent occurring among its employees at the lower echelons. Unless it is brought to the attention of superintendents or staff departments directly or through the grievance or other procedure, no comprehensive survey of the entire situation is available. Were the substance of all grievances and the details of their settlement recorded for review and study, much could be done to eliminate causes for grievances, to promote better employer-employee relations throughout the mill, and to improve the grievance procedure. If errors are made in the course of manufacturing they can readily be traced to their sources. Similar arrangements are advantageous in the management of human affairs.

On the other hand, it must be remembered that the introduction of new records imposes additional burdens on supervision, some elements of which may be unequal to the task or imperfectly equipped or manned to cope with it successfully. These considerations have a direct bearing on the kind and scope of reports that are practical. Forms should be simple and readily intelligible; contents and clerical work incident to preparation should be the minimum essential to the purpose; information available at any step should be passed on to succeeding steps until settlement is reached; for all steps but the first, forms should be similar but readily distinguishable for each step. The need for easy recognition of the form for each step suggests the use of different colors for the various steps.

#### SCOPE OF INFORMATION REQUIRED

It is equally important to determine in advance the extent and nature of the information which is required to accomplish the purposes for which the reports are intended. Information that is unessential or only occasionally needed should be rigidly excluded. There is no surer way to devalue a report or to discredit a record than to load them with information that serves no useful purpose.

In determining the amount and character of information which should be required in grievance reports, reference must be had to the purposes for which this information is to be used. As previously stated, these purposes are as follows:

1. To eliminate causes for grievances.
2. To promote better employer-employee relations.
3. To improve the grievance procedure.
4. To make available for consideration at later levels all information obtainable and recommendations made in previous steps.
5. To circulate type cases of general interest.

Determination of the following would help to accomplish these purposes:

1. The number and kinds of grievances that are directed into grievance channels.
2. The number and kinds of grievances that are settled at each step of the grievance procedure.



3. The character and suitability of settlements negotiated.
4. The skill, initiative and judgment exercised in disposing of grievances.
5. Circumstances and conditions which occasion grievances and corrective measures advisable.
6. Extent and character of cooperative effort put forth by company and union representatives.
7. Improvement in methods for handling grievances and avoidance of errors and confusion.

Accordingly, information that contributes to the determination of the above might well be required, including the following:

1. Place of occurrence.
2. Clock number concerned.
3. Step of procedure.
4. Grievance number.
5. Date of period.
6. Nature of grievance.
7. Statement of pertinent facts.
8. Recommendations of company and union representatives.
9. Disposition of grievance.

The preparation of the above information in sufficient detail to be useful at higher levels would impose no serious burden on supervision engaged in the grievance procedure except possibly in step 1.

The Memorandum of Agreement requires that grievance procedure be oral in step 1 for a number of reasons. The form for any written reports required at this step should be simple and the contents should be restricted to bare needs. Facilities for the preparation of extended, written reports are not, as a rule, available to section hands. In later steps, facilities are more elaborate and more extended reports are feasible.

The report proposed to be prepared in step 1 is shown on page 84. It is merely a running account showing the nature of each grievance settled in step 1, the manner in which it is settled and the signature of the section hand rendering the report. It would be prepared and forwarded at the end of each month on the prescribed form which is to be printed on white paper. Grievances settled are numbered serially beginning with number one each

month. The clock numbers of employees concerned in each grievance are recorded. The form is prepared in triplicate. One copy is retained by the section hand for his record. The other two copies are forwarded through channels — one to the Director of Labor Relations, the other to the superintendent of the division.

All grievances that are settled in step 1 should be included in the report. Any other complaints of consequence settled in step 1 might also be included. Determination of the dividing line between consequential and inconsequential complaints should be left to the decision of the section hand rendering the report.

#### FORWARDING TO STEP 2

If a grievance is not settled orally in step 1 within twenty-four hours, it is put into writing and forwarded to the overseer for consideration in step 2. Proposed report to be prepared in step 2 is shown on page 85. Grievances should not be permitted to enter the grievance procedure at step 2 but should be referred back to the section hand concerned in handling the grievance in step 1. The suggested form of grievance report for step 2 corresponds to those used in later steps except that for step 2 the grievance is stated in writing on the form. No other statement of the grievance is needed. The union form should be attached to the company report in this step and overseers are responsible that the statement of grievance included in their report is the correct statement. It may or may not be identical with the statement of grievance in the union report.

When a grievance is not settled but is forwarded from one step to another, all the information available goes with it for consideration at the next step. Thus the section hand furnishes the overseer all the facts available to him for inclusion in the overseer's report. The overseer supplements the facts furnished to him with others gathered by him and so on up. The grievance is reduced to writing by the shop steward. At all steps, after the first, if the grievance is not settled, one copy of the grievance report is retained by the preparing agency and others go forward to the next step for consideration and further action. If a grievance is settled in step 2, copies of the finished report go forward through channels to the Director of Labor Relations and to the superintendent of the division. The

form for grievance reports for step 2 is on gray paper. If grievance is settled in step 3, superintendent retains one copy of report and forwards copies of reports of step 2 and 3 to Director of Labor Relations.

Proposed report to be prepared in step 3 is shown on page 87. Department superintendent reads overseer's report and then prepares his own report in duplicate. If grievance is not settled in step 3, department superintendent retains one copy of his report and sends another, with step 2 report attached, to Director of Labor Relations for his information and use in preparing report on step 4. Proposed report for step 3 is printed on green paper.

The Director of Labor Relations reads overseer's and superintendent's reports and then prepares his own report. If case is settled in step 4, reports of steps 2, 3 and 4 are stapled together and filed in the office of Director of Labor Relations. If grievance is not settled in step 4, copies of reports on steps 2, 3 and 4 are forwarded to the Director of Industrial Relations for consideration in connection with step 5. Proposed report to be prepared in step 4 is shown on page 88. Proposed form for report is on pink paper for step 4.

If grievance is settled in step 5, reports are filed with the records of the office. If grievance is not settled in step 5, the Director of Industrial Relations prepares the case for arbitration and submits it to the President of the company. Proposed report to be prepared in step 5 is shown on page 90. As first grievance (presented as an example) was settled in step 4, it was necessary to introduce a new statement of grievance in step 5 report. The grievance settled in step 4 would not be stated at step 5. Yellow paper is proposed for step 5.

It might be helpful to review briefly the principle in accordance with which it is proposed that reports be prepared and forwarded. Separate reports of individual grievances are not prepared until step 2 is reached. Grievances settled in step 1 are listed in monthly reports and copies of these monthly reports are forwarded through channels to the superintendent of the division and the Director of Labor Relations.

Supervisors responsible for each step of the grievance procedure

should have available for use at all times complete records of grievances handled by them or in preceding steps, and should utilize the information available for the purposes for which it was prepared. Such records are available to overseers and section hands by consulting the files retained by the two. Superintendents have complete records of grievances settled in step 3 or at lower steps and should utilize them as circumstances require. Records of all grievances handled in the mill would be available in the files of the Labor Relations Office and from these an over-all understanding of grievance matters and collateral subjects can be secured and disseminated.

#### COMPANY AND UNION VIEWPOINTS

New grievance reports are prepared at each step but information available at preceding steps need not be repeated. All grievance reports prepared in the second and higher steps are similar in form and contain corresponding information. Reports prepared in step 2 and succeeding steps are signed by supervisors and union shop representatives concerned. The recommendations of company and union representatives are included.

This session has been devoted to a discussion of proposed grievance reports and records which are designed to carry out the objectives of the company, to eliminate causes for grievances, to promote better employer-employee relations throughout the mill and to improve the grievance procedure. The reasons for proposing each report and the arrangements for processing have been carefully considered. The results of these studies have been fully presented to supervisors and union shop representatives participating in this joint course of instruction. Suggestions and improvements were welcomed. When the course is completed and all suggestions and proposed revisions have been examined and conclusions have been reached regarding them, it is anticipated that some arrangement for reporting and recording grievance experience will be recommended for consideration by top management. Ideas or views in the matter should be presented at the earliest opportunity in order that those accepted may be included in any revision or improvements of the form that may be recommended.

The best way to prevent grievances is to eliminate the causes of them. One of the most effective preventive means is to analyze the sources of grievances. What do workers complain about? Statistics for a given period will generally tell the story. If the causes of grievances are tabulated according to the sources of complaints, material will be provided to guide management and unions in formulating constructive programs of prevention. If the figures show in a given period that two thirds of the complaints come from a few causes, ways and means of prevention will usually be suggested by the character of the causes themselves. Annual or quarterly summaries of all grievances, including the sources from which they come and the manner in which they are handled, present a fair picture of the grievance problem itself and of the operation of the grievance machinery.

The section hand and shop steward, in addition to developing the skill necessary to handle grievances, must also try to understand people. This is not a simple process. People must be studied carefully rather than consigned to groups or types. The shop steward's position is one of counsellor and frequently he can dissuade workers from pursuing claims that have no merit. Grievances imply dissatisfaction. Dissatisfaction impairs efficiency.

BOTANY MILLS, INC.  
PASSAIC, N. J.

DEPARTMENT: *Drawing*

Summary of grievance reports  
settled in step No. 1 for month of *February* 1947

No.	Date	Clock No.	Nature of Grievance	How Settled
1	Feb. 2	1064	Worker complained that after task assigned him had been completed, he was required to do other work for the remaining two hours of the shift.	Informed that company gives 8 hours' pay for 8 hours' work and unless worker is willing to do work assigned him he will be sent home. Worker understood and was satisfied.

2	Feb. 3 1065	Worker complained that she was not allowed to cut the spindle while her machine was in motion.	Informed that she was violating safety rules and failure to obey would lead to disciplinary action.
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WILL RISE

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*Section Hand.*

*This form is to be made out in triplicate at end of month. One copy to Director of Labor Relations (through channels); one copy to superintendent of division (through channels); and one copy retained by section hand. No other record required from section hand. All copies of step 1 form will be on white paper.*

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BOTANY MILLS, INC.  
PASSAIC, N. J.

DEPARTMENT: *Woolen Spinning*

CLOCK No.: 10101

Grievance Report  
Step No. 2

GRIEVANCE NUMBER: 13

DATE: *Feb. 1, 1947*

*Statement of Grievance (attach written grievance, if any)*

Worker complained that material coming up to him is of a character which puts a greater work load on him. He requests a temporary wage adjustment to compensate for the additional work load during the time this material is being processed.

*What Does Your Investigation Show? (List all facts. Present them in a clear manner.)*

The grievance was investigated by the section hand and the shop steward and the following facts were mutually arrived at:

1. The material complained of is worse than the ordinary run of material.
2. There is an additional work load.
3. Piecework averages have dropped \$.07 per hour.
4. Workers grumbling about the situation.
5. This grievance covers the past two-week period.
6. The union asks that the job be re-rated.

In view of the fact that a decision in this case is beyond the scope of the authority of the section hand, the matter was referred to the overseer for a decision. The section hand did recommend that some adjustment should be made.

The overseer called for a check on the piece rate by the Plans and Controls Department to determine whether an overload did actually exist. The Plans and Controls Department did find that there was an overload. The overseer checked his production schedules and found that this bad material will run only one more week.

### *What Do You Recommend?*

I recommend that there be some sort of an adjustment to be determined by higher authority.

### *What Does Shop Steward Recommend?*

The shop steward recommends piece rate to be changed to give worker \$.05 more than the present average hourly earnings.

### *Action Taken by You?*

Matter forwarded to the superintendent with recommendation to make an adjustment.

Put an X in the appropriate square below.

☐ Is matter considered closed? \_\_\_\_\_  
Date

☒ Is grievance being forwarded to step 3? \_\_\_\_\_  
Feb. 2, 1947  
Date

HEAD MANN  
\_\_\_\_\_  
Overseer.

GREEV VANCE  
\_\_\_\_\_  
Shop Steward.

*If case is not settled in step 2, the overseer, who fills out the record in triplicate, keeps his copy, and sends the other two to the department superintendent for use in preparing for step 3. The form for step 3 will be filled out by the superintendent from information furnished by overseer and from any other source available.*

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BOTANY MILLS, INC.  
PASSAIC, N. J.

DEPARTMENT: *Woolen Spinning*

CLOCK No.: 10101

Grievance Report  
Step No. 3

GRIEVANCE NUMBER: 13

DATE: *Feb. 3, 1947*

*What Does Your Investigation Show? (List all additional facts. Present them in a clear manner.)*

Facts are same as in step 2 with the following additions or exceptions. Production schedule for this type of material will be six weeks and not three weeks. There are eight workers involved — four on the first shift and four on the second shift with none on the third shift. From partial records available there is an indication that the drop in average hourly earnings may reach \$.10 instead of \$.07 per hour.

The type of material involved necessitates much closer supervision over the operation of the machine, has more breaks, requires greater physical effort on the part of the worker, and is of a colored mixture that has a tendency to cause eyestrain on the part of the worker. A preliminary lighting test conducted by me indicates that the substitution of a blue-white bulb instead of a white bulb would obviate the eyestrain because the effective blue light tends to harmonize the colors. Further investigation indicates that the cost of replacing bulbs would be \$18.

*What Do You Recommend?*

I recommend that Plans and Controls Department institute a new temporary piece rate covering the work for the six-week period. I further recommend that this problem be disposed of speedily because the further drop in average hourly earnings on the part of the workers indicates that the workers are getting disgusted, losing interest in their job, and production is falling off.

*What Does the Shop Chairman Recommend?*

Recommends that the workers be given \$.05 increase. He further goes along on the recommendation of the superintendent with this exception, that the new piece rate be permanent instead of temporary, arguing that there is a possibility that these overloads will recur frequently.



### *Action Taken by You?*

I submitted a requisition to the Engineering Plant to immediately change the type of bulbs and included in the requisition an estimate of cost and requested immediate action on this in view of the labor relations involved. I forwarded this grievance to step 4 without wasting time.

Put an X in the appropriate square below.

☐ Is grievance considered closed? \_\_\_\_\_

*Date*

☒ Is grievance being forwarded to step 4?

Feb. 5, 1947

*Date*

BIG SHOTT

*Department Superintendent.*

HI STEWARD

*Shop Chairman.*

*If case is not settled in step 3, the superintendent, who fills out the record in triplicate, keeps his copy, and sends the other to the Director of Labor Relations for use in preparing for step 4. The form for step 4 will be filled out by the Director of Labor Relations from information furnished by superintendent and from any other source available.*

BOTANY MILLS, INC.

PASSAIC, N. J.

DEPARTMENT: *Woolen Spinning*

CLOCK No.: 10101

Grievance Report

Step No. 4

GRIEVANCE NUMBER: 13

DATE: Feb. 7, 1947

*What Does Your Investigation Show? (List all additional facts. Present them in a clear manner.)*

My investigation showed facts are as outlined in step 3 with the following additional information. Production of that particular type of material is deemed essential by the company in order to fulfill contracts. There is no likelihood of having to manufacture same type of material in the future because of difficulties of manufacture and color in quality tests.

Botany's policy in case of overload has never been to pay a premium for such overload but rather to remove the overload or the cause of it. It is also a Botany policy to maintain average hourly earnings where they are adversely affected by circumstances beyond the control of the workers.

### *What Do You Recommend?*

I recommend that the workers' average hourly earnings be guaranteed without loss in earnings providing they maintain the production schedule of the first two weeks. I concur in the action taken by the superintendent in asking that the lights be changed. I disagree with the superintendent in the establishment of a temporary piece rate in view of the fact that the particular material will be completely run through in a six-week period. I disagree with the recommendation of the shop chairman to set up a permanent new rate and pay a \$.05 wage increase. There is no likelihood of this particular type of overload occurring again through this type of material.

### *What Does the Business Agent Recommend?*

The Business Agent recommends that some additional wage increase be given to the workers during this period but agrees in principle with my recommendation.

### *Action Taken by You?*

I reported the status of the matter to the Director of Industrial Relations who confirmed my point of view in this case and told me to proceed with it and arrange a settlement along that line. I called another conference with the business agent and explained to him the workings of our policy in cases like these and asked the union to go along with the company for this temporary period of six weeks on the basis of guaranteeing average hourly earnings. I pointed out to the business agent that this was for a temporary period only and if it were to continue beyond this temporary period we could then reconsider the matter. The business agent agreed to go along finally with my recommendation on my assurance that this was a temporary problem.

Put an X in the appropriate square below.

☒ Is grievance considered closed?

Feb. 12, 1947

*Date*

☐ Is grievance being forwarded to step 5?

B. HATTE

*Director of Labor Relations.*

ERNEST DRIVER

*Business Agent.*

*Director of Labor Relations reads overseer and department superintendent reports and then fills out his own report.*

*If case is settled in step 4, reports of steps 2, 3, and 4 (all records on*

*the case, stapled together) are filed in Labor Relations Department.*

*If case is not settled, Director of Labor Relations should submit all his copies of steps 2, 3, and 4 to the Director of Industrial Relations to be used in preparing for step 5.*

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BOTANY MILLS, INC.  
PASSAIC, N. J.

DEPARTMENT: *Finishing*

CLOCK No.: 7318

Grievance Report  
Step No. 5

GRIEVANCE NUMBER: 14

DATE: *Feb. 14, 1947*

*What Does Your Investigation Show? (List all additional facts. Present them in a clear manner.)*

The grievance reads as follows:

Worker broke eye glasses through negligence of company. Demands \$15 for new pair of eye glasses. The facts are as follows:

Worker in a habit of pulling down shade when sun shines in the room, and pulling up the shade when sun does not shine in the room. On day of accident, the worker pulled down shade and it fell, knocking his glasses off and breaking them. Botany's policy is to pay for damage to personal property only when it is clearly the fault of Botany. Worker claimed the shade was defective. Inspection of shade and shade supports revealed no defect. Worker not injured. New glasses cost \$15. Union has recommended that the worker be reimbursed for the cost of the eye glasses. The company's position up to step 5 has been to deny reimbursement on the basis it was no fault of the company. Worker will not buy new glasses unless assured that company will reimburse him. Work of employee without his glasses is sub-standard.

*What Do You Recommend?*

1. That the worker be denied payment of the glasses.
2. Recommend that he be sent to the hospital to determine if he is in a position to do his normal work without his glasses.
3. If he is not physically fit to perform work without glasses, he should be laid off for medical reasons, unless he corrects the situation.

*What does the National Representative of the Union Recommend?*

Recommends that the worker be paid for glasses in view of the fact that there is nothing to show that the worker was at fault.

### *Action Taken by You?*

Conference was called at which time a representative of the national union and the Director of Labor Relations were present. The presence of the worker was not required because the facts were not in dispute. Botany's policy of paying for damage of personal property only in case specifically caused by its negligence was discussed at length. Admittedly it would be poor practice to start. The union was asked to point out to the worker that unless he is in fit physical condition to perform the work he would not be permitted to work. The union agreed to instruct the worker to purchase glasses so that he could retain his employment. The union further decided that in the absence of negligence on the part of the company, it would not press the claim.

Put an X in the appropriate square below.

☒ Is grievance considered closed?

Feb. 19, 1947

*Date*

☐ Is grievance to go to arbitration?

*Date*

U. R. OVERALL

*Director of Industrial Relations.*

K. L. JOY

*Business Manager.*

*Director of Industrial Relations reads report of the overseer, department superintendent and Director of Labor Relations and prepares his case. If case is settled in step 5, it is closed and filed. If case is not settled, Director of Industrial Relations prepares the case for the President of the Botany Mills, Inc. for arbitration purposes.*

### Attendance and Turnover

ATTENDANCE INCLUDES both presence on the job and punctuality. They are of concern principally because of their contribution to production and efficient operation. The opposites, absenteeism and tardiness, receive far greater attention because corrective action, as a rule, is directed to them. The attendance records of more than ninety percent of Botany employees are excellent. Absences in this group are attributable to causes beyond the control of the employee such as sickness, accident or other emergency.

It is among the ten percent that attendance must be improved if output comparable to the number of persons employed is to be attained. Admittedly, one hundred percent attendance cannot be reached but certainly it can be much more closely approximated than has been the rule during the war years. Absenteeism and tardiness flourish in boom times when labor is scarce and recede to less disturbing proportions when it is difficult to obtain work. However, in either circumstance, much can be done to improve attendance and discourage tardiness and absenteeism.

The Memorandum of Agreement provides (Article II, page 3): "The union therefore agrees . . . that it actively will combat absenteeism and any other practices which restrict production." The services of the union and its shop representatives (shop stewards, shop chairmen, business agent) should be utilized for the purpose whenever the opportunity occurs. There is much that can be done through the joint efforts of the company and the union to

improve attendance. Few fields of common endeavor promise greater returns for the efforts put forth.

The contract also provides (Article VI, paragraph C, page 8): "The employer reserves the right to discipline employees who have been absent during the week without a reasonable excuse by prohibiting them from working on Saturday or Sunday. The following shall be considered reasonable excuses:

1. Death in immediate family
2. Illness
3. Accident
4. Jury duty
5. Religious holidays."

The list of reasonable excuses given above is exemplary, not exclusive. If the reasonableness of an excuse is questioned, resort may be had to the grievance procedure. The purpose of this clause is to exclude employees from overtime work on Saturdays if they have stayed away from work during the week without reasonable excuse. Formerly, employees were required to work forty hours before they were entitled to overtime on Saturdays. Overtime for Saturdays is now mandatory and concern, lest unfair advantage be taken of it, inspired the restrictive provision.

#### FORFEITING OF HOLIDAY PAY

The contract further provides (Article VI, paragraph D (1), page 9): "When an employee is absent from work the day preceding or following the holiday without acceptable excuse as listed in paragraph C, holiday pay will not be granted," and in paragraph D (4), same article: "When the employer's needs require a power plant, custodial, or maintenance employee to work on one of the designated holidays and the employee does not comply with such request, said employee shall forfeit his holiday pay. The union agrees to cooperate in influencing all other employees to work on a holiday when instructed to do so by the employer." The desire to limit the holiday absences of employees, who are able or required to be at work, motivated the above restrictive phrasing.

From the foregoing extracts from the Memorandum of Agreement, it is clear that it is the policy of both the company and the

union to combat undue absenteeism wherever it occurs, and supervisors and shop stewards should be active to eliminate it with all the means at their disposal. The same degree of teamwork and cooperation between supervisors and union shop representatives that is required in settling grievances is essential to maintain attendance at satisfactory levels. Absences due to external or "out-plant" conditions (housing, transportation, etc.) have been extensively analyzed and discussed. Far less attention has been given to causes for absence which exist within the mill. The effect on attendance of morale and other "in-plant" conditions is more and more apparent. Better understanding of employees' attitudes in regard to "in-plant" conditions affecting attendance is a real challenge and it is well worth the best efforts of supervisors and union shop representatives to develop such understanding.

From 1920 to 1925 following World War I, the absentee rate in Botany never exceeded  $4\frac{1}{2}$  percent and at times was as low as 3 percent. From 1926 to 1928, it varied from 3 percent to 4 percent and during the depression after 1929 it dropped to  $2\frac{1}{2}$  percent and lower. During 1946, it was as high as  $8\frac{1}{2}$  percent and not lower than  $6\frac{1}{2}$  percent. During the first week of July, 1947, it fell to 5 percent, the lowest rate for several years. Man-hours of work lost monthly during 1946 due to absences vary from a minimum of 53,069 to a maximum of 76,110. The monthly average of man-hours lost is 61,669. Improvement in the number of man-hours lost is also noted in 1947. The monthly average for the first six months is 54,367.

Absences fall into two general classes — those caused by illness and those due to other causes which in many instances are preventable. Production is lost regardless of the cause of absence and the reliability of absentee figures attributed to illness is open to serious question as in innumerable instances they rest on no stronger evidence than the unsupported statement of the absentee. During 1946, less than one half of one percent of all absences was due to mill accidents for which compensation was claimed; approximately one percent was attributable to alleged illness for which no group insurance benefits were sought; less than  $2\frac{1}{2}$  percent was due to illness for which group insurance benefits were sought; and con-

siderably more than 31½ percent was due to alleged reasons other than illness. It is apparent that both in the illness group and in all other causes group there is much room for improvement. Good or poor attendance is largely a matter of habit growing out of individual or group attitude. Such habits are not as a rule accidental but rather have been permitted to go unchecked over a period of time due to faulty administration. Habits once formed are not readily corrected. New employees should be made to understand that regular attendance is a basic requirement for employment at Botany. Every employee should know that unauthorized absences will not be tolerated and, if indulged in, can only lead to disciplinary action and eventual discharge. Offenders should be warned and given an opportunity to correct their bad habits. Failure to heed such warnings is reasonable cause for termination of employment.

#### ABSENCES BY GROUPS

Curves showing annual absentee rates at Botany as a whole follow more or less fixed patterns. More employees are absent in the summer than in the winter and fewest are absent in spring and fall. The reasons men are absent are frequently different from those which keep women away. Absenteeism varies greatly among the different divisions of the mill due to the type of people employed in each, their rates of pay, the amount of work available, and other causes. When individual absences are carefully investigated, the rate of absences tends to decline. It is significant that absences for other than reasonable causes fall to a minimum on days before and after paid holidays, when employees are required to be present in order to receive holiday pay. As a rule, absences appear to be more prevalent in the lower pay brackets than in the more highly skilled jobs although there may be variations due to specific circumstances. Absences increase when conditions are unsettled and in periods of uncertainty.

The absentee records of hourly and piece workers as well as the excuses given for such absences are kept in detail in the Personnel Office. Similar information can be secured from the Payroll Office. However, due to the amount of clerical work involved and the consequent expense, it is the practice to compile regularly only rates



of absence for the entire mill and for each division of it. If for any reason an analysis of absences of other groups or individuals is desirable to ascertain the causes of absences in any particular section of the mill, special studies are initiated. Particular attention is paid to records of attendance that are not satisfactory. Employees concerned are interviewed and if the absences cannot be justified, warning is given that failure to improve attendance will result in disciplinary action. When circumstances permit, the business agent of the union participates in these interviews.

The data on which the absentee records are compiled in the Personnel Office are furnished daily in reports from each department of the mill. These daily reports contain the names, clock numbers, and jobs of all absentees and show the alleged cause for each absence in the following categories:

- Mill accident
- Sickness
- Death in family
- Family reasons
- Lack of work
- Jury duty
- Religious holidays
- Vacations
- Leaves of absence

These reports show also if the absentee was absent the day previous, whether the absence was excused, whether or not the mill was notified that the employee would be absent and any comments on the cause of absences. These reports are consolidated each day to show the number of absentees in each department of the mill by cause and total mill absences. A weekly summary of absenteeism by departments is also prepared showing the percentage of absenteeism in each department of the mill for each day of the week. The information contained in this summary indicates any changes in attendance and where they occur.

On their return to work, all absentees are interviewed regarding the reasons for their absences. Those allegedly out on account of sickness are interviewed at the mill hospital. The others are interviewed by their respective supervisors. Were the reasons given for

the absence invariably the correct ones, the causes of absenteeism in Botany could be definitely ascertained. Unfortunately, this is not the case and further investigation is frequently necessary to ascertain the true reasons on which sound conclusions regarding absenteeism can be based. It has been wisecracked that there are two reasons for absences — the one given and the real one. However this may be, every effort should be made in interviews to discover the real cause of each absence. If supervisors and shop stewards know the employees who work with them and take an interest in them there should be little difficulty in learning the truth. Interest in unauthorized and unexcused absences should not be limited to supervisors and shop stewards as such absences interfere with production and are to the disadvantage of other workers in the group. If the will to be present on the job is aroused in the group as a whole, individuals will be hesitant to place themselves at cross purposes with the interests of their fellow workers.

#### SPOT INVESTIGATIONS OF ABSENCES

Sometimes sickness is claimed in order that an absentee can work on the following Saturday. The hospital may be unable to verify or disprove the claim. Similarly, an acceptable excuse may be advanced to cover an absence on the day preceding or the day following a paid holiday in order that holiday pay may be had. It may be difficult to disprove coverups. Further investigation may be necessary to disclose the facts. An investigating service to uncover all deceptions could well exceed in cost amounts paid on faulty claims. Accordingly, spot investigations are made when circumstances indicate the need.

Although Saturday work is paid at the rate of time and a half, absenteeism on Saturdays is ordinarily greater than on other working days. Some of our women employees maintain homes which claim their attention on Saturdays. Other employees have sufficient incomes to enjoy their week ends without working. Mondays show the next highest absentee rates after Saturdays. The majority of Monday absentees claim illness. Women claim illness as an excuse more often than men do. These and other more or less general deductions can be made from the personnel records. Scarcity of work

when it again exists will make preventable absences much less prevalent both because jobs will be more highly prized and incorrigibles can be more readily replaced.

Absenteeism is a problem that can best be solved by supervisors and shop stewards of the groups in which preventable absenteeism occurs. While the industrial relations, payroll and medical services can furnish valuable counsel on the extent, distribution and causes of absenteeism, corrective measures will be most effective when supervisors and shop stewards are interested and exert their influences on the individual absentees concerned. Absenteeism is definitely a production problem and the supervisor and the shop steward are the persons who can solve it. Penalty systems, rewards for attendance and publicity schemes have all been tried and help materially. They do not furnish an entirely adequate answer, however. People will strive to be regular in their attendance only when their interest in the job is maintained at a high level. Evidence that supervision and union shop representatives are interested in and familiar with their personal problems will do much to arouse the interest of workers in a high standard of performance on their jobs. The workers' problems are of a personal nature and must be handled on an individual basis by supervisors and shop stewards who are real leaders and can inspire in their groups the desire to do the jobs in the most effective manner possible.

Supervisors are now required to interview returning absentees unless sickness is the reason given for the absence. If the interview is carefully conducted, a personal interest shown in each individual, and a sincere effort made to help absentees to overcome the difficulties which cause the absences, a long step will have been taken. Individual instruction in interviewing as well as a list of appropriate questions to be asked can be made available to supervisors. The shop steward can be helpful in counseling absentees regarding the inadvisability of preventable absences. It is no great task for the supervisor to keep a record of the attendance of his group. Such a record would soon bring out the few cases of absenteeism with which a supervisor and shop steward need cope. Occasional conferences with other supervisors and shop stewards in which specific problems are brought up and corrective measures decided

on would be of assistance. When individuals appear to be chronic absentees they should be interviewed at length and warned of the consequences. If nothing can be done to correct their faults, disciplinary action may be invoked. When other means have been tried and fail, dismissal may be the solution.

Botany's method of requiring returning employees to visit the hospital before resuming work is a deterrent to fakers. An opportunity is afforded to note the absentee's state of health and to record information about the alleged illness to which the absence is attributed. The opportunity is also afforded to review the records of previous absences on account of sickness to note the causes and circumstances. The recurrence of certain maladies may indicate the need for remedial attention. There is also a psychological advantage in having employees know that the reporting of illness is not mere routine and that the attention given cases may lead to further action. Frequent consultation on questionable cases between the medical director and the supervisor concerned is desirable.

#### RESULTS OF TARDINESS

It is a rule in Botany for all employees to report for work promptly. Tardiness not only delays production and interferes with proper planning, but also may result in loss of pay for workers. Workers on a time-work basis are subject to the following schedule of payroll deductions for tardiness:

5 minutes or less — no deductions.

6 minutes to 12 minutes — 10 minutes deducted.

13 minutes to 15 minutes — 15 minutes deducted.

For every 5 minutes or portion thereof over 15 minutes, 5 minutes additional is deducted.

(Example: 18 minutes late — 20 minutes deducted; 26 minutes late — 30 minutes deducted.)

Employees on piece work almost without exception are on a production basis being paid for what they produce. Lateness in such cases cuts down piece-work earnings since these employees will be working less than a normal work day. Exceptions to this piece-work policy are handled on an individual basis. When an employee is

repeatedly tardy, investigation is indicated and corrective action may be necessary.

Generally speaking, labor turnover is the number of persons hired in a given period to replace those leaving or dropped. On the other hand, the labor turnover rate, as defined by the United States Bureau of Labor Statistics is the rate of replacement or the number of jobs that are vacated and filled per 100 employees. For 1946, the average monthly rate for Botany was 3.62 percent. This is not excessive in view of existing economic conditions but there is plenty of room for improvement. For the first six months of 1947, turnover was 20.67 percent, an improvement over the previous year's rate for the corresponding period.

#### COMPUTING REPLACEMENT RATE

As the strength of the mill is being built up, the replacement rate or net turnover rate is computed by dividing separations for the period under consideration by average number of employees. In 1946, 2,130 employees left the service of the company. The average strength for the same period was 4,822. The net turnover rate for the year was 43.4 percent. This turnover rate is high as would be expected in unsettled times. However, improvement in this rate should be anticipated from now on inasmuch as wages have been increased and employment is becoming more stabilized. In 1946, 38.2 percent of the employees leaving the service of the company worked less than one month. This is partly due to a lean labor market and partly due to the provision in the Memorandum of Agreement which authorizes the discharge of new employees in the first 30 days of their service for any reason.

The most common cause for discharge is "failure to reply to registered letter." In such cases, the employee has left without warning and is terminated from our payrolls when a registered letter is sent to the address he has given and no reply is received. In such cases, no exit interview is possible and there is no way of determining the reasons for the termination. Another common cause of termination can be traced to faulty induction and training. Later training will be directed to correcting these defects.

It is apparent that excessive absenteeism and turnover can be

attributed to similar causes — poor human material, prosperous times, emergency conditions, and other causes. Improvement is bound to come when circumstances change, but there is much that leadership can do now in discouraging and controlling absenteeism if supervisors and shop stewards concern themselves with it. Each supervisor heads a small group of employees whom it is his duty to know and lead. The shop steward and he are in a better position than is anyone else to guide their action and influence their thinking. Avoidable absenteeism cannot survive in such an atmosphere. Its elimination through cooperative action of supervisors and union shop personnel is the most effective way of solving this troublesome problem.

### Leaves of Absence, Vacations, and Termination Procedures

SESSION VIII DEALT with unauthorized and unexcused absences as well as the means for controlling and discouraging such absences. There are, however, certain reasons for absence from the mill which are excusable and are so recognized in the union agreement. Article XI, paragraph 1 of that contract provides: "Leave of Absence. The seniority rating of any employee shall not be deemed affected by absences caused by illness, or by leave of absence granted by the employer. The employer agrees to grant leave of absence to any employee who becomes a business agent of the union for the period of this agreement, during which period the said employee's seniority shall accumulate. Copies of leaves of absence, setting forth the reasons for same, shall be forwarded to the union."

The above provisions of the contract afford a means for the company to grant extended absences from work when legitimate reasons for such absences exist. It affords a way to keep an employee in the status of employee when for an acceptable reason he is unable to report for work for a reasonable period of time, thus preserving to him his seniority and avoiding a break in his service. It naturally follows that leave of absence is a privilege rather than a right—a privilege that the company may or may not grant depending on a number of circumstances, among which are the urgency of the need for leave, the character of service the applicant for leave has rendered, his length of service with the company, the availability of work and perhaps some others.

The term "leave of absence" is frequently misunderstood. At Botany, it is permission to be absent from work for periods in excess of three days under exceptional circumstances with the approval of the company. Formal application in writing on a prescribed form is required to secure such permission. One copy only of the application is required. It is filed in office of origin. Name of applicant, clock number, length of proposed absence, and reasons for request are included on application form. The applicant makes the request for leave of absence to his immediate superior who forwards it through prescribed channels to the superintendent of the division. The superintendent has authority to approve leaves of absence or extensions thereof for an aggregate period of not more than three months. Leaves in excess of three months or extensions thereof in excess of three months are approved or disapproved by the General Manager. They are forwarded by the superintendent of the division to the Director of Industrial Relations who in turn sends them to the General Manager with recommendations.

#### LEAVES GRANTED FOR REASONABLE CAUSES

Ordinarily, leaves of absence will not be issued to authorize absences due to illness. The contract specifically provides for absences due to illness and they should be handled in accordance with its provisions. However, it is possible that a leave of absence might be granted to cover the absence of an employee who has recovered from an illness but who needs rest or travel to regain strength fully before returning to work. Pregnancy is considered as a sick absence, not a leave of absence. Emergency passes authorizing absences from work for periods not to exceed three working days are a local departmental function and are not reported as leaves of absence. At the end of each month, a single consolidated report of leaves of absence granted during the month and the reasons therefor are sent to the union headquarters by the Director of Industrial Relations to conform with the provisions of the contract. This report is made up from similar consolidated reports submitted monthly by superintendents of divisions.

Leaves of absence are granted for reasonable causes. No attempt



is made to list all causes which might be termed "reasonable" since a cause might be reasonable under a specific set of circumstances and unreasonable under another set of circumstances. The reasons commonly advanced to support applications for leaves of absence are approaching marriage, private business which must receive the applicant's personal attention, jury duty, sickness in family, and union business. The contract also provides in Article XII, paragraph B that "Employees in the Armed Forces of the United States or hereafter inducted shall be deemed on leave of absence." For this reason, employees returning from the Armed Services are not required to join the union within thirty days of reporting for work. Article XI, paragraph J (5), restates the seniority protection of an employee on leave of absence granted by the employer.

The difference between leaves of absence and vacations is that the former are privileges granted by the employer under exceptional circumstances without pay while the latter are a right prescribed in the contract with pay. Article VII of the contract covers vacations and vacation pay. During the life of the contract, unless otherwise provided therein, each employee who on April 15 has worked for the company for one year but less than five years is entitled to a week's vacation with pay, at rates established in the contract. An employee with five years' service with the company shall similarly receive two weeks' vacation with pay. The rates at which vacations are paid will be discussed in the session covering wages and hours.

Arrangement of the vacation schedule is in the discretion of the company. However, the company is required to confer with the union before making up the vacation schedule. (See union contract, Article VII, page 11.) Vacations must be scheduled between April 15 and September 15 according to this same paragraph of the contract. Some employees are entitled to two weeks vacations; others, to one week vacations; and still others, to no vacations at all. Vacation schedules in Botany for the past two years have been arranged without shutting down the mill. Vacations have been spread out over the vacation season, consideration being given to the needs of the mill and to the convenience of employees. These arrangements are not entirely satisfactory to the company or to its employees but

are the best practicable under the circumstances. Nor would a shutdown of one or two weeks for vacations be advantageous to all employees as those who were entitled to vacations of shorter duration than the shutdown period or to no vacations at all would be out of work without wages during the period.

Under certain circumstances, an employee who otherwise qualifies for vacation or vacation pay is not entitled to either. The following sets forth the circumstances:

1. If the employee has been laid off for a continuous period of six months or more prior to April 15.
2. If the employee has been out on sick claim for more than five months prior to April 15 without satisfactory excuse.
3. If the employee has been out on sick claim for more than ten months.
4. If the employment of any person has been terminated prior to April 15 as provided in Article XI, paragraph J of the contract (Termination of Seniority and Employment). Discussion of termination follows.

The foregoing rules governing vacation rights are clearly enunciated in the Memorandum of Agreement and exceptions are not contemplated. Borderline cases arise from time to time for which special consideration is requested. The policy of the company and the union is to abide by the provisions of the contract.

#### WHAT TERMINATION MEANS

To "terminate" an employee of the Botany Worsted Mills means to remove his name from the payrolls of the company. The meaning of the term is frequently misunderstood since it is used either in the case of a temporary or a permanent removal from the rolls. The name of an employee who is absent on account of sickness for an extended period is removed from the payrolls although his seniority continues to accrue and he is still in the employ of Botany. If an employee quits, is discharged, or is laid off for two years or more, the termination is permanent, his seniority is lost and his record of continuous employment is broken. This latter is called "Termination of Seniority and Employment" in the Memorandum of Agreement and is covered in Article XI, paragraph J.

When an employee is absent from work and the company has not been informed of the reason, a registered letter is sent to the employee's last known address as shown on the company's records. Reason for the absence and the date of return are requested. Reply can be made by direct call or by mail. Envelope addressed to the company is enclosed with the notice. The employee is also informed that failure to answer the company's notice within three days can result in the termination of his employment and the loss of his seniority with Botany. The company has the option of sending a representative to deliver the notice personally and in that case if the employee does not return to work within twenty-four hours, he may be terminated with loss of seniority. The above follows in general the procedure prescribed in the contract for recalls from layoffs.

In case of recall from layoff, if the employee within the period prescribed has an excuse for not returning that is acceptable to the employer, and signifies his intention to return to work within two weeks, the said employee is passed over on the seniority list and loses his place on the list to the extent of the number of employees called back at that particular time and who actually return, but only with respect to that particular recall. For example, employees A and B are recalled at the same time. A is higher on the seniority list but cannot come back for two weeks. B comes back immediately. If there is no vacancy at the end of two weeks, A cannot deprive B of his job for that recall.

Absences caused by illness or leaves of absence granted by the company do not affect the seniority rating of an employee. Accordingly, terminations for these reasons and for layoffs of less than two years do not affect seniority. However, an employee who has been absent for five months due to illness is requested by the company to furnish substantiating evidence of his physical inability to return to work. If such evidence is not furnished, the employee is permanently terminated and loses his seniority. If it is furnished, an additional five months extension is granted prior to depriving the employee of his seniority rating.

Were it not for the above arrangements for removing an employee from the payrolls by termination, the rolls would be cluttered

tered up with a lot of names of persons who either are not now employed by the company or are absent from work for extended periods. The carrying of this inactive personnel on the payrolls involves unnecessary effort as well as unwarranted expense and loss of time in preparing the payrolls. The seniority lists would also include innumerable names which do not properly belong there. It is for these reasons that terminations are covered at considerable length in the contract.

The company also sends out letters similar to the one discussed above when an employee is absent from work allegedly on account of sickness but has not filed a sick claim, and when a sick claim has expired but the employee fails to return to work. In either case, appropriate action is taken by the company if the employee fails to reply satisfactorily.

#### FORM FOR TERMINATION

When an employee is to be terminated, a "Termination of Employment" form is made out in his department and signed by the foreman and the department head or his assistant. This form contains the employee's name, address, clock number, department, occupation, phone number if available, the date of the last day of work and such remarks as are pertinent. On the back of the blank there are enumerated 36 reasons for termination divided into the categories — Employee's Own Account, Business Conditions, and Other Reasons. The three causes for which seniority is retained — Temporary Physical Disability (Illness or Maternity), Leave of Absence (Military Service or Other), and Lack of Work are indicated on the form. The back also contains a form for rating the qualifications of a worker and his personal character into the classifications good, fair, poor, undetermined. The person making out the form checks the appropriate items on the back and adds under "remarks" on the front any additional pertinent information for which there is no provision on the form.

The criticism most commonly expressed in regard to filling out this form is the failure of the maker to state frankly and accurately the reasons for discharge. Recently, a former worker was rehired and assigned to his previous job. Hardly had he reported when the

superintendent asked that he be removed from the department as it was known there that his previous discharge was for stealing. Had the reasons for discharge been correctly recorded on the old termination record an unfortunate and embarrassing situation would have been avoided.

A hesitancy to state reasons based on suspicion or unverified conclusions, particularly if such reasons are discreditable to the employee, is understood but surely an impartial statement of the facts which caused the discharge cannot be impugned. One of the purposes of the "remarks" space is to provide room for such statements of fact. No one should hesitate to call a spade a spade. False modesty or laxity in stating reasons for discharges is unfair to the company and to the employee. The form is not perfect. However, unless it is properly filled out, no form will convey the information which was intended and is needed.

The form is then forwarded to the Personnel Office and checked there. Any additional information which this latter office may have is added to the form which is forwarded to the Payroll Office for recording the information on it and for appropriate action. After Payroll is finished with it, the form is returned to the Personnel Office for inclusion in its files. The information contained on this form is then available for future reference.

Termination forms initiated in a department are final only as far as that department is concerned. Employees so terminated may be transferred to another department if their services are needed and their records are satisfactory. When termination of employees of a department is desired by agencies outside of the department, the head of the department is notified and if there is no cogent reason to the contrary the termination form is prepared by him.

Each week, the Personnel Office prepares a report of terminations on the form on which hirings are reported. The difference between the two gives the net as well as each department's increase or decrease in employee strength for the period. The reasons for terminations and the length of time each terminated employee has been employed in Botany are also included in the report. This report furnishes data for the determination of turnover in the mill and its causes.

The use of the exit interview is a valuable adjunct in determining the real reasons that employees leave the mill. However, it can be utilized only in case the employee is available for interview. This is not the usual condition since more employees are terminated for quitting than for any other cause. Careful supervision is exercised to protect employees from unfair or unreasonable dismissal and complaints in this regard are carefully investigated. This is a phase of human relations which is well worth the most careful scrutiny on the part of management.

As indicated in the previous session, three factors — hirings, terminations, and average strength — enter into the determination of the turnover rate. There is an interrelation between hirings and terminations. As the qualities of new employees improve, terminations should be less. It follows also that the fewer the terminations, the less the hirings. This is particularly noticeable once full strength has been attained. The quality of new employees depends on a number of factors such as pay rates, working conditions, and the availability of labor. These same factors also affect terminations. Both hirings and terminations must be carefully supervised to reduce turnover. Another factor which indicates the advisability of careful supervision of layoffs as well as of terminations is the cost of unemployment insurance (see Session I).

### Veterans' Programs and Group Insurance

BOTANY IS FREQUENTLY called a veteran's mill due to the number of former members of the Armed Forces employed and the extent of the services provided for this personnel and their dependents. Such services include:

- Employment of handicapped
- Aid in completing pension plans
- Aid in completing terminal leave forms
- Reinstatement of government insurance
- Execution of claims for death gratuities
- Insurance payments to beneficiaries of deceased service men and veterans
- Applications for widow's pensions
- Admissions to veterans' hospitals for the ill and disabled
- "On-the-job" and "apprentice" training
- Rehabilitation of disabled
- Veterans' counselling.

The union also is solicitous of the veterans' welfare and has joined with the company in assuring to veterans all their rights and benefits under the various laws affecting them. In doing this, the seniority of other employees displaced by veterans is disturbed as little as practicable. As previously indicated, veterans who left the employment of the company to enter the service are considered on leave of absence and are not required to join the union upon their return to the employ of the company. Article XII of the Memorandum

dum of Agreement is devoted exclusively to the affairs and interests of veterans. Veterans are guaranteed their former jobs or substantially equivalent jobs, if such jobs exist, and if the employee is still qualified to perform the duties in such jobs. Application must be made for return to job within 90 days after satisfactory completion of service, unless the veteran is suffering from a physical disability which is service incurred. In this case, the 90-day period may be extended to one year plus 90 days.

However, as indicated above, veterans' programs extend far beyond the requirements of the contract. A Joint Apprenticeship Committee composed of a representative of the company and of the union handles all problems arising in connection with the training of veterans who are eligible for the union and who are receiving on-the-job or apprentice training. The principles of such training are as simple as the accomplishment of it is complicated. To qualify for training under federal statutes, a veteran must in general have an honorable discharge and must have served on active duty a minimum of 90 days. Honorably discharged veterans with service-connected disabilities qualify for government benefits even if they served less than 90 days.

#### TRAINING OPPORTUNITIES NUMEROUS

The popularity of Botany's veterans' training program is attested by the applications for admission to the courses. Occupations for which training is available are numerous and representative of woolen and worsted manufacturing. Examples of apprentice training are the trades of pipe fitter, draftsman, carpenter, machinist and electrician. Three to four years of study and practical experience are required to complete apprentice training satisfactorily. A job analysis of each occupation is carefully prepared and submitted to the State Department of Education for approval. Supervisors use approved descriptions of occupations to guide them in the training of apprentices in their respective trades.

Supplementing the instruction and supervision given the apprentice trainee during his work, attendance at recognized vocational schools is required two evenings a week. Supplemental training at vocational schools totaling 144 hours per year is required as out-



lined in the provisions of the Apprentice Trade Agreement. Completion of the requirements of the joint company and union trade agreement by a veteran apprentice should produce a well-trained and competent journeyman.

On-the-job training, under the G. I. Plan, covering a period of two years or less, is also available for veterans. Approximately sixty classifications for on-the-job training have been approved. Each of the five production departments has some of these classifications. Botany's on-the-job training program for weaving has a particular appeal for the veteran not qualified to pursue any of the mechanical trades offered. Weaving classes consisting of twenty to thirty veterans are trained periodically. Fourteen months of training is required for proficiency sufficient to attain skilled rates of pay in this occupation.

Public Law 346 is concerned principally with non-disabled veterans who desire to learn a skill or trade. Public Law 16 is correspondingly concerned with disabled veterans. It affords them an opportunity to overcome vocational handicaps. The disabled veteran has certain advantages over the non-disabled. "On-the-job" training includes all occupations requiring two years or less to learn; apprentice training is the term applied when more than two years and up to four are required to complete the training. Only those jobs which are certified to the Veterans Administration by the New Jersey Department of Education as approved classifications for veteran training are available for the training.

In the training of non-disabled veterans the company pays the starting rate and the government supplements this amount sufficiently for the trainee to draw up to the entering journeyman's rate with certain limitations. As the trainee improves, the company increases its payments and the government decreases its by a like amount until the trainee becomes proficient. The company then pays the entire amount. There are limitations on the total amount a trainee can receive and the government allowance for married men exceeds that for unmarried ones.

The disabled veteran has the advantage that his pension goes on while he is in training. He can receive the difference between the starting rate and the entering journeyman's rate without limita-

tions. After he has become a proficient worker and is paid entirely by the company, his pension still goes on. To engage in training, veterans must execute forms which differ for disabled and non-disabled persons. While the bulk of the administrative responsibilities including payments of wages and subsistence allowances fall on the Veterans Administration, the State of New Jersey through its Department of Education approves subject matter content of instruction and certifies it to the Veterans Administration.

The disabled veteran can choose to undergo training under either Public Law 16 or Public Law 346. The non-disabled veteran has no such option. Under Public Law 16, the disabled veteran can secure tools up to a value of \$100 without charge and as an outright gift; under Public Law 346, such tools are a loan, not a gift. Similarly, under Public Law 16, the disabled veteran may receive a cash loan up to \$100 for emergency use; there is no such provision in Public Law 346. Also, under Public Law 16, the disabled veteran is entitled to out-patient medical treatment whether or not his ailment is service connected; under Public Law 346, this medical out-patient service is subject to limitations.

#### EMPLOYMENT OF DISABLED

Botany is especially interested in the employment of the disabled or handicapped veteran. If he is a Botany veteran, suitable work will be found for him under any circumstances. If other than a Botany veteran, every effort is made to place him suitably. The disabled are required to perform the tasks assigned to them as efficiently as the non-disabled do. Only thus can the self-respect of the disabled be maintained. If at all competent, the disabled are likely to be more efficient than the unimpaired workers and take greater pride in their work. This willingness to meet the disabled more than half way has brought many valuable employees to the company, just as it has restored the confidence of those who needed the stimulus of congenial employment.

Many of our disabled veterans have only limited incapacities. Their handicaps are not apparent and they perform the average job as capably as they would if no disability existed. Only the fact that they draw disability compensation from the government dis-

tinguishes them as incapacitated. Among these are the psychoneurotics who have a tendency to tighten up when spoken to sharply or when put under pressure. Once they are suitably placed, little difficulty is encountered. Occasionally, it may be necessary to return them to a veterans' hospital for rest and treatment.

Nine hundred and forty-nine Botany employees entered the Armed Forces. Of these, 36 died in the service of their country. A total of 1,798 veterans (Botany and other) have been employed by Botany since their discharge from the service. Botany takes pride in its participation in veterans' affairs — a participation which has brought it the reputation of a good place for veterans to be employed.

Sickness and accident may cause greater suffering to the wage earner than unemployment, for not only is the family income interrupted, but also the wage earner is faced with unexpected and largely indeterminate medical expenses. Article VIII of the contract covers group insurance for employees eligible for union membership. The cost of this insurance is borne entirely by the company to include life insurance amounting to \$500. There are six types of benefits provided, including life insurance, accidental death and dismemberment, health and accident, hospital expense, maternity, and surgical. Insured employees receive Certificates of Insurance, issued by the Metropolitan Life Insurance Company. These certificates outline the protection provided in the insurance contract.

In case of death from either natural or accidental causes, the beneficiary named by the insured employee will be paid the amount of the policy. This beneficiary may be changed at any time upon written request of the insured on forms provided by the insurance company and obtainable at our Payroll Office. Employees may increase the amount of their life insurance by small weekly contributions as shown in the following schedule:

<i>Basic weekly earning</i>	<i>Additional life insurance</i>	<i>Accident insurance</i>	<i>Employee's weekly contribution</i>
\$20 but less than \$30	\$500	—	\$.06
\$30 or more	\$750	\$250	\$.09

At the present time, there are few if any employees the basic weekly earnings of whom are less than \$30.

If an employee prior to the age of 60 becomes totally and permanently disabled through sickness or accident while insured for \$500, the amount of the policy will be payable to him during the continuance of such disability, in monthly installments of \$25.52 each, with a maximum of 20 installments. Payments start three months after receipt by the insurance company of due proof of such disability. For \$500 additional coverage, 40 installments of \$26.25 each may be paid; for \$750 additional coverage, 50 installments of \$26.63 each may be paid. Payments made for total and permanent disability benefits are deductible from the total amount of life insurance to which the beneficiary would eventually be entitled.

#### CONVERSION OF LIFE INSURANCE

On the day an employee leaves the employ of Botany all his insurance stops; however, he may arrange within 31 days thereafter to convert his life insurance policy into any of the regular policies customarily issued by the Metropolitan (term insurance excepted) at the rate applicable to his attained age and class of risk. Should an employee die within this 31 day period, the life insurance in force on the date he left Botany's employ is payable to his beneficiary.

Benefits payable in the event of accidental death or dismemberment from a non-occupational accident are as follows:

	<i>\$500 Insurance</i>	<i>\$1250 Insurance</i>
Accidental death	\$1000	\$1250
Loss of eyesight or two members	\$1000	\$1250
Loss of one eye or one member	\$ 500	\$ 625

These payments are in addition to any other benefits to which an employee is eligible. Payments are not made for death or injury occurring under the following circumstances:

Intentional self-destruction

Intentionally self-inflicted injury

Sustained as the result, directly or indirectly, of war or any act of war.

Sickness and accident benefits are payable for a maximum of 13 weeks at \$15 per week. Payment begins on the eighth day of disability and continues during disability up to the authorized limit. Payments up to the prescribed limit are authorized for any one continuous period of disability, whether from one or more causes or for successive periods of disability due to the same or related cause or causes. These benefits are payable to an employee who becomes totally disabled, is unable to work and is under the care of a physician legally licensed to practice medicine. Disability must be due to an injury or sickness not arising out of or in the course of his employment.

If an employee is confined as a patient in a legally constituted hospital because of non-occupational injury or sickness not entitling him to workmen's compensation or to benefits under occupational disease laws, he is entitled to receive \$5 per day from the first to the thirty-first day of hospital confinement. In addition thereto, he is entitled to \$25 to pay for anesthesia, special laboratory service and use of operating room. These benefits are designed only to help meet the expenses of hospital confinement. They are not intended to represent what the hospital charge should or will be. They are merely the maximum payments under the Group Insurance Plan as are other benefits under the plan.

In maternity cases, the employee concerned may receive the following benefits:

6 weeks' sick benefits @ \$15 . . . . .	\$ 90
14 days hospital expense @ \$15 . . . . .	70
Anesthesia, special laboratory service and use of operating room . . . . .	25
Delivery charge . . . . .	50
Total . . . . .	<hr/> \$235

If a Caesarean operation is necessary, an employee is entitled to \$50 in addition to delivery charge of \$50. Pregnancy benefits will not be available for pregnancy existing on the date employee becomes insured.

A schedule of surgical operations and the maximum payments therefor are published in Botany's "Plan of Group Insurance," a

pamphlet issued as of September 1, 1944, and furnished to all employees.

Should two or more specified operations be performed during any one continuous period of disability whether from one or more causes, or during successive periods of disability due to the same or related cause or causes, the total payment for all such operations is not permitted to exceed \$150. Furthermore, if such operations are performed at one time and in the same operative field, the total payment will not exceed the amount specified for that one of the operations for which the largest amount is payable. It is repeated that the benefits are merely the maximum payments under the terms of the plan. They are designed to help meet the expense of the specified surgical operations. In no sense are they intended to represent what the physician's or surgeon's charge will or should be.

#### GROUP INSURANCE REQUIREMENTS

The Group Insurance Plan became effective September 1, 1944, for all eligible employees who had completed 30 days or more of continuous service. New employees are insured when they have had 30 days of continuous service provided they are then actively at work. If an employee is absent from work on the day his insurance would otherwise become effective, he will be insured on the day he returns to active work. No medical examination is required of any employee in order to participate in the company's Group Insurance Plan if the employee enrolls promptly. If not enrolled within 31 days after the date insurance could first be made effective, employee will be required to pass a satisfactory medical examination at his personal expense if he desires to enroll.

The Metropolitan Life Insurance Company provides a Visiting Nursing Service which is available at no additional cost to ill or injured employees insured under Botany's Group Insurance Plan, and who live where the service is maintained. It is not available to families of employees. The visiting nurse gives skilled bedside care under the orders of the attending physician. She will teach some member of the household how to care for the patient between her visits. She is qualified through long and careful training to render

valuable assistance to the doctor in helping the employee regain health more quickly. If the services of the visiting nurse are needed she can be summoned by telephone. The patient, his doctor, the family, or the company can call her. Telephone numbers of members of Visiting Nursing Service are contained in telephone books of the localities in which they serve.

The chief value of group insurance from the employee's standpoint is that it affords some measure of financial security against the common risks of illness and death. Not all workers can through their own efforts accumulate sufficient savings to carry them through protracted illnesses. In the event of death, the problem is even more serious, for the wage earner frequently leaves his family with insufficient funds, after funeral expenses are paid, to tide it over for more than a few months.

From the employer's standpoint, the group insurance plan is an important part of the industrial relations program, helping as it does to increase employees' sense of security. The level of employee morale is raised. A sound group insurance plan tends to cut down labor turnover — an end diligently sought by the company and the union.

From the union's standpoint, the group insurance plan is of primary importance for the reason that the financial toll which disabling illness exacts from the wage earner is a matter of concern. Insurance benefits, particularly during the war, were not infrequently looked upon as substitutes for wage increases — a substitute that the employer was not unwilling to grant.

Workmen's compensation which is mandatory as a matter of law in all states must not be confused with group insurance which is authorized in the Memorandum of Agreement.

There is now a legislative movement under way to make the payment of sick benefits mandatory by law in New Jersey. At present, unemployment benefits are not available in cases of sickness. The proposed law is intended to remedy this deficiency.

### Seniority and Transfer Procedures

IN A NUMBER of instances, seniority or length of service is recognized as a limiting factor in the Memorandum of Agreement. In layoffs and recalls, it is the determining element. Article XI, Subdivision D, provides: "When it becomes necessary to lay off employees, the employees in the seniority groups in which the layoff occurs having the shortest length of service shall be laid off first. Subject to Subdivision J (Termination of Seniority and Employment) of this article, on recalls following layoffs, the last employee laid off shall be the first employee to be recalled and so progressively."

There seems to be considerable unanimity of opinion that seniority should be the sole consideration in the event of layoffs due to reduced volume of operations. The argument favorable to it is that if a man has been able to retain his job over a considerable period of time, he is entitled to protection in that job. If a man grows old in the employ of the company, he should be permitted a sense of security in his job provided he discharges the functions of that job properly. The fact that he has not been discharged implies that his work has been satisfactory. On recalls, seniority also governs. However, the employee may lose part or all of his seniority rights if he fails to respond promptly to the summons to return or delays unduly in returning. This has been thoroughly discussed in Session IX.

On promotions, other factors besides seniority enter into the



calculation. Subdivision E of Article XI of the Memorandum of Agreement provides: "Promotions within seniority groups to higher-skilled or better-paid jobs shall be made on the basis of seniority and other necessary qualifications to perform the job." Quality of performance, physical fitness, merit, training, skill, attitudes are some of the "other necessary qualifications" referred to in the preceding sentence. If the qualifications of two employees under consideration are equal, seniority can well be the basis for the promotion. This acts as a safeguard to prevent the passing over of competent old employees. It puts a burden of proof on supervisors to justify their recommendations for promotion when seniority is not followed. It tends to avoid partiality in recommendations for advancement. To limit promotions to employees who happen to have worked longest with the company would stifle individual ability and initiative. Needless to say, no industry could succeed if such a policy were adhered to strictly.

#### ADVANTAGES OF SENIORITY

The effect of seniority on transfers from one occupation to another will be discussed later. We are here concerned principally with the advantages and preference an employee receives from seniority while he remains in one occupation. Seniority gives an employee priority in selecting the shift on which he works. Subdivision G of Article XI of the Memorandum of Agreement states: "Vacancies which may occur in any shift and which the employer desires to fill shall be filled by transfer of employees within the same seniority groups who desire such transfers, according to their seniority ratings, except where such transfers, due to statutory limitations with respect to hours of employment for women interfere with the full manning of a shift.

The commonest request for transfer, under the provisions of the above paragraph, is from the third shift to the first or second shift although some employees because of the shift bonus prefer the third shift. There are few transfers between the first and second shifts since, as a rule, these shifts alternate periodically. In Session I, the New Jersey statute which prohibits the employment of women between midnight and 7 a.m., except during the present emergency,

was discussed. It is the policy of the company, concurred in by the union, that no additional women employees will be assigned to the third shift and that women working on the third shift shall be transferred gradually to other shifts. Accordingly, women replacements are assigned to the first and second shift, filling vacancies to which men on the third shift might otherwise be entitled to transfer because of their seniority.

Seniority in Botany is on an occupational basis. It is not mill-wide. Article XI of the Memorandum of Agreement provides in Subdivision A that "Seniority shall be by occupational groups within departments (hereinafter referred to as 'seniority groups')." The advantage of occupational seniority is that in layoffs, appropriate numbers can be retained from each occupational group.

The Memorandum of Agreement requires that records be kept showing the names of employees on each seniority list by length of service. Article XI, Subdivision B, indicates that "The employer has furnished to the union seniority lists for each seniority group. The aforesaid seniority lists shall be posted upon the bulletin boards for each seniority group. The posted seniority lists shall establish the seniority rating of each employee who does not, in writing, protest his or her seniority rating within thirty (30) days from the date of such posting." Numerous protests occurred when the lists were first posted. Protests are decided purely on the basis of fact as shown by the records of the Payroll Department. The reason given for the majority of these protests is that the complainant has not received credit for all his service with the company.

The provision of the Memorandum of Agreement which permits the discharge of new employees for any reason within thirty days of their being hired was mentioned in Session VIII, page 7, paragraph 4 (Attendance, Labor Turnover and Their Control). That paragraph of the Memorandum of Agreement reads, "There shall be a probationary period of thirty (30) days for new employees, during which period the employer shall have the right to terminate the employment of the said new employees for any reason whatsoever. At the end of the aforesaid period of thirty (30) days the seniority of the new employees shall date from the day of their employment." Thus, all new employees are on probation for

thirty days but if they survive that period, their seniority dates back to the day they were hired.

There are a number of other provisions in the contract that relate to seniority, with which you should be familiar. Some of these have been mentioned in previous sessions. During their tenure of office despite anything in the agreement to the contrary, shop stewards, shop chairmen and local union officers have the highest (top) seniority in their respective seniority areas on their respective shifts for layoff and recall purposes only. The union is required to notify the company in writing of the names of said stewards, shop chairmen and local union officers and of the dates that their terms of office will expire. As there has been no general layoff since the Memorandum of Agreement became effective, this provision (H of Article XI) has been of no practical utility up to now.

#### SENIORITY OF VETERANS

There are several paragraphs of the contract which pertain to the seniority of veterans or to that of persons displaced by veterans. Botany veterans resuming their employment with the company are not required to become members of the union within thirty days of their employment for the reason that they have been carried on an absent-on-leave status and their seniority has continued during their periods of service (see Session IX, page 3, paragraph 1, Leaves of Absence, Vacations and Termination Procedures). Other employees returning on a seniority basis are similarly privileged. Supervisors who have been displaced by returning veterans are entitled to be placed back on their last seniority lists and to receive all their past seniority for the time that they were supervisors.

In Session IX, page 1, paragraph 1 (Leaves of Absence, Vacations and Termination Procedures), Article XI, Subdivision I of the Memorandum of Agreement, which protects the seniority of employees (including a business agent of the union) on leaves of absence or absent because of illness was presented. In the same session, the provisions of Subdivision J, Article XI of the Memorandum of Agreement (Termination of Seniority and Employment) was fully covered. Only through voluntary quitting, discharge or layoff for two years or more is the seniority lost.

Transfers from one occupation to another may be either temporary or permanent depending on the circumstances more than the duration. Transfers may be within a department or from department to department. Rates of pay in cases of temporary transfers are covered in Article V, Subdivision J of the Memorandum of Agreement and will be discussed in Session XII under Wages and Hours.

Under the provisions of Article XI, Subdivision F of the Memorandum of Agreement, "An employee who is transferred from seniority group to seniority group shall, for a period of six (6) months retain his seniority in his former seniority group and within that period shall have the right to return to his former job. If within the six (6) months period the said employee does not exercise the right to return to his former job, he shall have no seniority right in his former seniority group and his seniority in the new seniority group shall date from the day of transfer, except that an employee transferred as a result of the reinstatement of a veteran shall retain his then seniority in the new seniority group."

#### REASONS FOR TRANSFERS

If the person transferred is to remain permanently in the new occupation, the transfer is a permanent one; if the purpose is eventually to transfer him back to his former occupation, the transfer is temporary. On account of the above, the length of time that an employee remains in the newer job has little bearing on the permanency of the transfer.

Transfers are made for a number of different reasons. It may be at the request of the employee who desires to better himself or to change his surroundings or it may be at the request of his department which feels that his services would be more valuable in another setting. It sometimes occurs that an employee is terminated from one department for good and satisfactory cause and is reemployed in another where his work is entirely satisfactory. Also, the transfer may be at the request of the mill surgeon who feels that the physical condition of the employee will be benefited by the change. As long as the labor market remains in its present condition, it is necessary to make every effort to retain the services of

employees who are surplus or not desired in one department by transfer elsewhere, if it is felt that they can render satisfactory services in another locality.

Another protection which the Memorandum of Agreement gives an employee as far as seniority of transfer is concerned is contained in the last paragraph of Subdiivision H, Article XI. It is therein provided that "An employee who is transferred to a position outside the bargaining unit for a continuous period of two (2) years or less will not accumulate seniority while thus engaged but shall retain the seniority which he had already accumulated at the time of such transfer, provided he is returned within such two (2) year period to the job from which he was so transferred." The contract is liberal as regards protection of the seniority rights of the worker under circumstances that appear to warrant such protection.

All in all, the seniority and transfer provisions of the contract appear to furnish reasonable protection to the employee without imposing on the company restrictions which interfere with its freedom to manage the business. This function of management "to manage the business" implies the right to select and promote employees on the basis of ability to do a job as well as on their seniority. Were the sanctity of seniority rights carried too far, it might well destroy initiative, force ambitious employees to work elsewhere and interfere with the shifting of plant personnel in accordance with merit and efficiency.

The Memorandum of Agreement specifies the instances in which preferential treatment is accorded to an employee on account of length of service. It establishes neither a preferred class nor a caste system. The purpose is to protect the employee of long service as far as employment at Botany is concerned. It is assumed that the employees who have been longest with the company are efficient or they would not have been retained in the service of the company. Seniority gives such employees a priority on security. Seniority rights are sometimes claimed for purposes other than those specified in the Memorandum of Agreement. Such claims have no validity and should be disallowed. Seniority applies only where it is specifically prescribed by proper authority.

### Wages and Hours

THE MEMORANDUM OF AGREEMENT (Article IV) specifically mentions wages, hours and conditions of employment as included in the collective bargaining rights of the union. The immediate concern which workers have with these three items is apparent since they intimately affect their standards of living as well as their daily routines. If they are viewed unfavorably, dissatisfaction and discontent occur just as satisfaction and contentment follow favorable consideration. Wage grievances occur frequently and their settlement involves lengthy investigations and negotiations. Botany's wage schedules are attached to and form an integral part of the Memorandum of Agreement which also requires that schedules of rate ranges, progressions and learning periods be furnished to the union.

Wage revisions and wage adjustments are authorized by the Memorandum of Agreement. The former pertain to periodic overall alterations in wage rates either upwards or downwards; the latter pertain to individual or group changes occasioned by disparities within the mill.

Wage revisions are provided for in Article V, Subdivision E of the Memorandum of Agreement and may be requested by either party through written notice given 60 days prior to the first Monday of August or the first Monday of February. Revisions, if granted, become effective on the appropriate "first Monday" 60 days subsequent to the request for revision.

If agreement is not reached fifteen days following the receipt of written notice, either party may require arbitration thereof by mailing written notice of such purpose to the other. If the first Monday in February falls on February 2, for example, and if revision is to be effective on that date, notice must be given not later than the preceding December 3. If notice were given on or prior to that date by either party and if the parties did not agree before December 18, either could throw the revision into arbitration as indicated above.

Wage revision differences must be arbitrated before a panel of three arbitrators appointed by the American Arbitration Association. The decision of a majority of the arbitrators is final and conclusive upon both parties. Costs and expenses of such arbitrations are limited to arbitrators' fees and expenses and the charge for stenographer's fees and expenses, if any. Costs and expenses of arbitration are borne equally by the company and the union.

#### PERMANENT ARBITRATOR

It is well to note that all other differences and disputes between these parties, which cannot be settled without arbitration, are referred to a single permanent arbitrator agreed upon by the company and the union (Article X). This arbitrator is required to hear the matter in dispute as expeditiously as possible and to render his decision in writing. Decision of this arbitrator, as in wage revisions, is final and binding on both parties and his compensation as well as the expenses of arbitration are borne equally by the two parties. The same permanent arbitrator has been employed since the first agreement between the company and the union was signed.

Requests for wage adjustments may be made at any time by either party of the opinion that such adjustments should be made because of intraplant inequities or inequalities. Requests must be in writing. Rates of pay are then negotiated and if agreement is not reached within fifteen days after receipt of request for adjustment, either party may demand arbitration. If such demand is made, the permanent arbitrator hears the case and renders the decision, as stipulated in the preceding paragraph.

On February 4, 1946, at the time the present Memorandum of

Agreement was negotiated, a wage revision upwards of fifteen cents per hour was granted. On February 3, 1947, an additional wage revision upwards of fifteen cents per hour was authorized at the union's request.

For hourly employees, these increases were added to hourly rates; piecework employees each time received an hourly increase of fifteen cents in addition to their piecework earnings.

Up to this point, consideration has been confined to the straight-time wages of employees. There are a number of indirect additional benefits to which an employee is or may be entitled. A list of these follows:

- Overtime pay
- Holiday pay
- Vacation pay
- Reporting-time pay
- Waiting-time pay
- Shift premiums
- Group insurance
- Workmen's compensation

The company pays the entire cost of the above. The company contributes in part to the support of two other employee benefits — social security and unemployment compensation.

Time and one-half is paid by the company for work performed in excess of 8 hours per day and in excess of forty hours per week (but without duplication), for work performed on Saturdays and on the six legal holidays (New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day and Christmas Day). Double time is paid for work performed on Sunday. The company reserves the right to discipline employees who are absent during the week without reasonable excuse (death in immediate family, illness, accident, jury duty, religious holidays) by denying them work on Saturdays or Sundays.

For the above holidays (Memorial Day excluded) employees are entitled to pay for eight hours straight time except those employees who are absent from work the day preceding or the day following the holiday without acceptable excuses as indicated in preceding paragraph. Holiday pay for pieceworkers will be computed at their



hourly earnings attained during the week in which a holiday falls. Holiday pay is paid whether or not the employee works. An employee who is required to work on a paid holiday receives time and one-half plus eight hours at straight time. Differences of opinion concerning entitlement to holiday pay not infrequently occasion grievances.

A power plant, custodial or maintenance employee who is required to work on a paid holiday and refuses to do so forfeits his holiday pay. The union agrees to cooperate in influencing all other employees to work on a holiday when instructed to do so by the company. Should a holiday named above fall on Sunday, it is celebrated on the Monday following.

Vacation pay for employees on an hourly rate is computed as follows:

For one week's vacation, forty times the regular hourly rate of pay including shift premium if any; for two weeks' vacation, eighty times the regular hourly rate of pay, including shift premium, if any.

#### VACATION PAY OF PIECEWORK EMPLOYEES

Employees normally paid on a piecework basis receive vacation pay as follows:

For one week's vacation, forty times the average hourly earnings including shift premium, if any, computed on the basis of the four full work weeks immediately prior to April 1; for two weeks' vacation, it is double that amount.

Entitlement to vacation as indicated in Session IX carries with it entitlement to vacation pay.

A specified number of hours of employment in some capacity with pay or, at the company's option, an equal number of hours of pay at the employee's regular rate of pay including shift premium, is guaranteed by the Memorandum of Agreement (Article V, Subdivision G) for employees who report for work at the beginning of a regularly scheduled shift or are called to work by the company unless they shall have been duly notified not to report. These allowances are called reporting-time pay and amount to four hours work with pay or pay therefor for an employee on the first or second

shifts and similarly to "the number of hours currently scheduled" for the shift on the third shift, including the shift premium.

The contract further provides that the following constitutes "due notice":

1. Notice given orally or in writing at or before the end of the previous shift. If it affects a group, such notice is effective if posted in the workroom even for employees not actually at work that day.
2. Notice actually communicated before the employee leaves home to report for work. Reporting-time allowances are not paid if the failure to provide work is caused by labor disputes or other causes beyond the control of the company except in case of a major power breakdown. For such a breakdown, two hours' reporting-time pay is required to be given to any shift. The company reserves the right to require an employee drawing reporting-time pay to perform work for the period for which he draws this pay.

Except in case of labor stoppages over which the company has no control, an employee whose piecework earnings are affected by causes which are clearly beyond his personal control is entitled to receive pay at the rate of his average hourly earnings (see Article I, Subdivision B, for definitions) for the period during which the above mentioned conditions affect his earnings. The above period is called "waiting time" and pay therefor is called "waiting-time pay."

All employees on the third shift receive a shift premium of fifteen percent per hour in addition to the regular day rates of pay. No shift premium is provided for the second shift as it alternates periodically with the first shift.

Group insurance was covered in Session X. Women employees are paid at the same wages that men are paid provided they perform, without assistance, the same work that is performed by men.

An employee temporarily transferred, at the request of the company, to work on a job other than his regular occupation is entitled to be paid for the one which has the higher rate of pay. However, should the transfer be at the request of the employee, he is paid at the rate of pay for the new job. Similarly, when an employee elects

to work at a temporary job to avoid a layoff, he is paid at the rate applicable to his new occupation.

In addition, there are one or two other specific provisions of the Memorandum of Agreement which pertain to the pay of employees. The company is required to deduct union initiation fees from the pay of those members of the union who in writing authorize and direct the company to make such deductions (Article I, Subdivision D). Deduction is made from first weekly pay payable to the employee after receipt of authorization. Similar arrangements are prescribed for collecting union dues each week. This collection of initiation fees and dues for the union by the company is called the "check-off." If no pay is due the employee, no deduction is made and the union receives no dues from the employee for such weeks. The union designates in writing the office or agency to which the company forwards collections made for the union. Shop stewards and/or, when necessary, shop chairmen are allowed time off with pay to adjust grievances (Article IX, Subdivision D).

#### WORK DAY AND WORK WEEK

Hours of work and the scheduling of such hours are covered in Article VI, Subdivisions A and B. The work week at Botany begins at 7 a.m. on Monday. The work day consists of twenty-four hours beginning at 7 a.m. each calendar day. The regular hours of work by shift consist of eight consecutive hours regularly scheduled during five consecutive work days from Monday to Friday inclusive.

It is apparent that the contract requires that the work day is the day on which work begins. Thus, the work day of the shift beginning work at 11 p.m. Sunday night would be Sunday. However, if a shift starts Monday night at 11 p.m., the regular hours of work would end at 7 a.m. on Saturday. The bulk of our third shift workers have preferred to start on Sunday night and to waive the double time due them under the Memorandum of Agreement for having started on Sunday night in order that their work week can end at 7 a.m. on Friday. This modification of the provisions of the contract has been accepted by the company and the union when requested by the employees concerned.

The company is required to furnish the union a schedule of hours

of work for each shift in each group of employees. If changes are contemplated in this schedule the company has agreed to notify the union and to enter into discussions with the union prior to making any changes. Under its authority to control production, the company has exclusive right in the Memorandum of Agreement to make and change the schedule of hours. However, in the interests of good labor relations, it has agreed to discuss proposed changes in schedules with the union prior to making such changes.

Generally speaking, the administration and regulation of wages have been for many years one of the most perplexing problems of management. During the war years, employees were granted not only substantial wage increases but also many indirect benefits such as overtime pay, vacation pay, holiday pay, shift premiums and group insurance. During the same period, there were slowdowns, walkouts, high absenteeism, excessive turnover, and lack of interest in jobs — all of which increase the costs of production.

The need for wage increases because of advances in the cost of living has been widely discussed. Statistics showing the relation of these two activities since the attack on Pearl Harbor are frequently published. A number of contracts provide for wage increases or decreases in conformity with cost of living changes. It may be of interest to note the two in their relation to each other as shown by the official government cost of living index released by the Bureau of Labor Statistics for the New York City area and by Botany payrolls. Average hourly and piecework base rates per hour (premium pay excluded) are used in the comparison since they give us an average in which all hourly paid workers (supervisors excepted) participate.

In January, 1941, Botany's average base rate per hour was 56.1 cents and the cost of living index stood at 101. By August, 1945, Botany's base rate had risen to 89.8 cents, an increase of 60.1 percent. The cost of living index was 130, a rise of only 28.7 percent.

In August, 1947, cost of living had reached an index level of 158.6, up 57.1 percent. Botany's average base rate per hour, however, had risen to \$1.23, an increase of 119 percent over January, 1941.

The percentage of increase for August, 1947, in Botany's aver-

age base rate per hour was 109 percent more than the corresponding increase in the cost of living index for the New York City area.

In January, 1941, the average weekly earnings figure for all employees at Botany was \$28 per week. By February, 1947, this figure had risen to \$55.36 per week, an increase of 97.8 percent.

It is also of interest to note the cost to the company of some indirect pay increases:

Five paid holidays cost the company \$254,000 per year, an average of \$47.20 per employee.

Paid vacations cost the company \$275,000 per year, an average of \$81.10 per employee.

Free group insurance costs the company \$181,350 per year, an average of \$38.30 per employee.

## Employer and Union Functions Included in Memorandum of Agreement

THE CURRENT Memorandum of Agreement between Botany Mills, Inc. (referred to therein as "the employer") and the Textile Workers Union of America, C.I.O., (referred to therein as "the union") was made on February 1, 1946 and continues in full force and effect until February 1, 1948, and for successive two-year periods thereafter until terminated by either party. Should either party to the agreement desire to terminate it, written notice of such intention must be given to the other party at least sixty days in advance of the termination date of any contract period. To change the agreement orally or to modify it or to discharge it, in whole or in part, it is required that the proposed change, modification or discharge be in writing and that it be signed by the party against whom enforcement of the change, modification or discharge is sought. It is apparent that no change, modification or discharge is possible unless both parties to the agreement are in accord regarding it.

Both the employer and the union are delegated specific responsibilities and receive certain benefits under the agreement. Some of these have already been discussed in previous sessions. We are here concerned with the broader aspects of such responsibilities and benefits.

Article IV of the agreement prescribes that the following functions pertain exclusively to management subject only to provisions of the agreement and to collective bargaining rights of the union with respect to wages, hours and employment conditions.

*Management of the plant*, as generally understood in industry,

includes the activities of organization, administration, finance, purchasing, storage, and transportation of materials, provision and upkeep of buildings and machinery, design and manufacture of the product, management and direction of employees, research and development, determination and control of costs, and marketing of the product. It is a general term and some of its functions are detailed in succeeding paragraphs.

*Planning, direction and control of production, sales and the business* are indispensable to management, as the success or failure of the enterprise depends on the energy, skill and efficiency with which these activities are conducted. The making of profits cannot be dissociated from them and if profits are not made, the company, the union and the employees must seek livelihoods elsewhere.

#### DIRECTION OF WORKING FORCE

*The lockout* of any employee or group of employees by the employer is prohibited and the employer agrees not to engage in such lockouts (Article III).

*Direction of the working force including hiring, firing, promoting, demoting, and disciplining of employees, and the laying off and calling to work of employees in connection with any reduction or increase in production and consequently of the working forces* is an important function of management. Responsibility for an organization implies control of its members. However, the agreement contains a number of provisions which modify in some degree management's freedom of action in these regards. Management and the union do not invariably see eye to eye in interpretations of these provisions of the contract and the grievance procedure is sometimes resorted to in order to reach mutual understanding in borderline or controversial cases.

Similarly, the following functions are matters for which the union and those it represents are solely responsible. The union is the sole collective bargaining agent and representative of all production and maintenance employees. The union and those it represents agree that *it and they will not engage in, initiate, authorize, sanction or support any strike, sit-down strike, slow-down or stoppage of work.*

Article II of the agreement sets forth the responsibilities recognized by the union as imposed on it in consequence of its being the exclusive bargaining agent of the employees, and indicates that the union realizes that the employer must be in a strong market position in order to provide maximum opportunities for continuing employment, good working conditions and better than average wages. For the company to be in a strong market position, it is necessary that it produce efficiently and at the lowest possible costs consistent with fair labor standards. The union, through its bargaining agency, assumes responsibility for cooperating in attaining the above goals. The union therefore agrees to each of the following:

*It will cooperate with the employer and support his efforts to assure a full day's work on the part of its members.* Accordingly, should production fall off due to intention, indifference or lagging on the part of employees, management personnel and union shop representatives have joint responsibility in restoring it to normal expectancy. The obvious way to accomplish this is through elimination of causes which contribute to the letdown. Such causes may well be obscure and their elimination may require careful attention and extended study. However, the supervisors and shop stewards closest to the workers are in the best positions to discover these causes and to provide for their elimination. Remedial action should be confined to those who are responsible for the letdown.

#### CONTROLLING ABSENTEEISM

*It will actively combat absenteeism and any other practices which restrict production.* Absenteeism has been considered at length in Session VIII. It is a production problem. The section hand and the shop steward are best situated to combat it, as they have relatively small numbers of employees to consider and have more intimate knowledge of the personal affairs and interests of such employees. Other practices which restrict production are lateness, unnecessary visiting or moving about, trifling, horseplay, carelessness, lack of attention and similar faulty conduct. If every employee were to give a full day's work every day as contemplated in the agreement, the tasks of supervisor and shop steward would be simplified and minimized. This may be an unattainable ideal, but it will be most



closely approached when supervisor and shop steward work together to combat these practices which restrict production.

*It will support the employer in efforts to improve production, eliminate waste in production, conserve materials and supplies, improve quality of workmanship, prevent accidents and strengthen good will between the employer, the employees, the customer, the union, and the public.* In view of the special purpose of this course (labor relations) and the limited time allocated to it, detailed discussion of the entire field of supervisor-union shop cooperative activities as indicated above is impractical. However, the last two activities mentioned are closely associated with industrial relations and will be considered separately.

#### SAFETY A PRIMARY CONCERN

Accident prevention, as previously indicated, will be the next subject taken up in the joint training course after completion of the labor relations instruction. It is essentially a production problem and, as such, it is a matter of primary concern to supervisors and employees. Safe working conditions are a vital part of employee security which management and the union are seeking to better. The economic and production losses incident to accidents are not the only unfavorable factors. The suffering of the unfortunate victim of an accident as well as his diminished earning capacity cannot be entirely compensated for by workmen's compensation. The morale of the worker involved and that of his fellow workers who are engaged in like or related occupations are materially lowered. Morale that is depressed by unsafe working arrangements presents a real problem to the company and the union.

The strengthening of good will among the employer, the employees, the customer, the union and the public is a never-ending undertaking which can be of great advantage to all if effectively accomplished. Good labor relations are peculiarly sensitive to good will among the employer, the employee and the union. The employer and the union are tireless in their efforts to establish such good will and mutual understanding. Unfortunately, individual employees are not always equally zealous in the cause with the result that recriminations, ridicule, defiance and threats sometimes

occur in the course of arguments for or against the company and for or against the union.

The breeding of this ill will is not confined to any single class or group. Union and non-union employees, eligibles and ineligibles for the bargaining unit, white-collar and supervisory personnel have at one time or another been involved in such good will infractions. Some of these violations have occurred through ignorance, misunderstandings or sudden wrath; others through boastfulness, design or retaliation. Regardless of the underlying causes, relations are strained and understanding is weakened by ill-advised and ill-considered remarks or actions. In the introduction to the course, it was stated that membership in the union had increased and the union is well established and favorably received. It was further stated that "It is incumbent on the company, its employees and the union to live and work together in amity and mutual respect. All have the common purpose of improving their own interests and each can succeed only as the other prospers. So we have forgotten our differences and are working together faithfully for the common good. The union can be of untold assistance if its services are suitably utilized." These words are of especial import to all members of the Botany team — executives, supervision, members of the bargaining unit, white-collar employees, the union. It is incumbent on all that the bonds of good will which bind them together be not weakened by hasty word or overt act.

#### ELIGIBILITY FOR UNION

Membership in the bargaining unit has been repeatedly referred to in these sessions without definite separation of employees into eligible and ineligible groups. This division is made in Article I of the agreement in which the employer recognizes the union as the sole collective bargaining agent and representative of members of the bargaining unit. The following list shows the employees of the company that are eligible for the union and those that are not. Despite this differentiation, eligibility for the bargaining unit is not always interpreted identically by the company and the union. The term "employee" as used in the agreement includes only those employees who are eligible for the bargaining unit.

*Eligible for the union*

All production and maintenance  
employees including  
Wool sorters  
Trappers  
Overlookers  
Color blenders  
Nurses  
Truck drivers  
Truck driver helpers

*Not eligible for the union*

Office personnel  
Clerical personnel  
Part-time personnel  
Plant guards  
Timekeepers  
Time checkers  
Matchers  
Follow-up men  
Designers  
Assistant designers  
Music system personnel  
Technicians  
Laboratory personnel  
All supervisors with authority to hire,  
promote, discharge, discipline, or  
otherwise effect changes in the status  
of employees or effectively recom-  
mend such action  
Garage personnel

In order that all articles of the agreement may be included in this instruction, attention is directed to Article XIII which requires the employer to provide an adequate number of bulletin boards for the convenience of the union in posting union notices. Prior to posting, the union is required to deliver copies of such notices to the employer. Union notices must be posted on these bulletin boards and nowhere else in the mill.

Article XIV provides that the union and its members will not intimidate or coerce any employee with respect to his right to work or in reference to union activity or membership. It also provides that the employer, its foremen, or any other supervisory employee will not discriminate against union members or interfere with the right of any employee to join the union. Neither the union nor the employees it represents is permitted to make any collection of money on the company premises during working hours.

This concludes our consideration of the sixteen articles of the Memorandum of Agreement now current between Botany Mills, Inc., and the Textile Workers Union of America, C.I.O. Two sessions remain. One of these is devoted to a true-or-false questionnaire covering the contents of the course; the other, to a general

review of the course. The Memorandum of Agreement provides for the amicable adjustment of any and all disputes and grievances. The spirit of cooperation and fair play which actuates all parties to the agreement is apparent. Differences are bound to arise but their settlement presents no serious problem if all concerned adhere to the principles of the agreement and bargain with each other in the spirit of its provisions and in mutual respect.

Textile workers in Botany are today in upper pay brackets as compared with wages of eight or ten years ago. It is the hope of the company and the union that such conditions may continue and improve. To make this possible, production must improve; materials and supplies must be conserved; quality of workmanship must improve; accidents must be reduced or entirely eliminated and good will among employer, employees, customer, the union and the public must be strengthened.

It is a joint responsibility of the company and the union to effect the above desirables. They can do it only through the efforts and cooperation of the members of the two organizations. In the last analysis, this accomplishment is the responsibility of every employee of Botany, whether in or out of the bargaining unit. Only through their concerted and continuing efforts can success be secured and maintained.

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## Questionnaire for Participants in Joint Training Course

THE FOLLOWING QUESTIONS, to be checked "true" or "false" include points covered in the thirteen preceding sessions of the joint training course. Correct answers appear on page 143.

- |   | <i>True</i>              | <i>False</i>             |
|---|--------------------------|--------------------------|
| 1. For a labor organization to expel from its membership an individual employed by an employer, because of race, creed, color, national origin or ancestry is an unlawful employment practice in New Jersey . . . . . | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. The employment of minors is not restricted by the laws of the United States . . . . .  | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Workmen's compensation includes benefits for death or disability either permanent or temporary   | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Time cards must be punched not more than twenty minutes before a shift starts . . . . .  | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. The company will not accept emergency personal calls made to employees from outside of the mill  | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Employees called for jury duty in state courts will be paid by the company during their absences from work . . . . .   | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Shop stewards are selected by the company to represent employees eligible for the bargaining unit  | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. To be able to act effectively as an instructor is one of the important qualifications for a supervisor .   | <input type="checkbox"/> | <input type="checkbox"/> |

	<i>True</i>	<i>False</i>
9. A capable leader feels that his own ideas are always best and is unwilling to see the good in another's views . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
10. It is useless to find out the exact nature of a problem when starting to solve it . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
11. Correct conclusions can always be reached whether or not the facts are known . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
12. There is never more than one solution to a problem . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
13. Timing is important in taking action after a decision is made . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
14. Opinions and feelings are easily learned . . .	<input type="checkbox"/>	<input type="checkbox"/>
15. The four steps in the four-step method for solving a problem are: (1) Get the facts; (2) Read the Memorandum of Agreement; (3) Ask questions; (4) Check results . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
16. Two days are allowed for the adjustment of grievances in step 2 . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
17. Grievances are confined to violations of the Memorandum of Agreement . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
18. The grievance procedure ordinarily commences with a shop steward's approach to a section hand to get the latter to take some action in behalf of an aggrieved worker . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
19. Grievances must be processed whether or not there is a real basis for complaint . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
20. A shop steward should promise a favorable settlement of grievances which he (the shop steward) handles . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
21. The sum of the times authorized for the adjustment of grievances in the five steps of the grievance procedure permits arbitration to be reached in 21 days . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
22. The Memorandum of Agreement makes no provision for the union actively to combat absenteeism . . . . .	<input type="checkbox"/>	<input type="checkbox"/>

	<i>True</i>	<i>False</i>
23. The Memorandum of Agreement provides that a maintenance employee can draw holiday pay for a holiday on which he refuses to work . . . .	<input type="checkbox"/>	<input type="checkbox"/>
24. Death in immediate family, illness, accident, jury duty and religious holidays are the only acceptable excuses for absences from work on the day preceding or following a holiday . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
25. Excessive absenteeism and excessive turnover are due to similar causes . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
26. Leave of absence is a right which the employer must grant to an employee who requests such leave . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
27. The company has exclusive authority under the Memorandum of Agreement to arrange vacation schedules . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
28. If an employee is recalled from layoff and does not report for work within three days after the notice of recall is received, the name of such employee is removed from his seniority list . . .	<input type="checkbox"/>	<input type="checkbox"/>
29. The difference between "On-the-Job Training" and "Apprentice Training" for veterans is the length of time that is required to complete the training . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
30. New employees are eligible for group insurance the day they go to work for Botany . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
31. Under Botany's group insurance contract, employees who are hospitalized in a legally constituted hospital are entitled to \$5 per day for 60 days to pay for their rooms . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
32. Seniority in Botany is on an occupational basis .	<input type="checkbox"/>	<input type="checkbox"/>
33. During their tenure of office, shop stewards have the highest seniority in their seniority groups for all purposes . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
34. When an employee elects to work at a temporary job to avoid a layoff, he is paid at the rate authorized for the temporary job . . . . .	<input type="checkbox"/>	<input type="checkbox"/>

	<i>True</i>	<i>False</i>
35. Arbitrations of wage adjustment are conducted before panels of three arbitrators appointed by the American Arbitration Association . . . .	<input type="checkbox"/>	<input type="checkbox"/>
36. Wage revisions are effective only on the first Monday in February and the first Monday in August . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
37. Work performed on Memorial Day is paid for at the rate of time and one half . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
38. Union notices can be posted anywhere in the mill	<input type="checkbox"/>	<input type="checkbox"/>
39. The Memorandum of Agreement contains provisions which permit it to be changed, modified or discharged . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
40. Direction of the working force is a function of management . . . . .	<input type="checkbox"/>	<input type="checkbox"/>

### ANSWERS TO TRUE OR FALSE QUESTIONNAIRE

1. True	9. False	17. False	25. True	33. False
2. False	10. False	18. True	26. False	34. True
3. True	11. False	19. False	27. True	35. False
4. False	12. False	20. False	28. False	36. True
5. False	13. True	21. True	29. True	37. True
6. False	14. False	22. False	30. False	38. False
7. False	15. False	23. False	31. False	39. True
8. True	16. True	24. False	32. True	40. True



### General Review

THE JOINT TRAINING COURSE in labor relations consists of an introduction and fifteen one-hour sessions on the following:

- Objectives and indoctrination (introduction)
- General personnel policies (2 hours)
- Foundations of good relations (1 hour)
- Four-step method (2 hours)
- Grievance procedures (2 hours)
- Memorandum of Agreement (6 hours)
- General review and test (2 hours)

The object of this course in labor relations as indicated in the introduction to the course is, through joint training of supervisors, shop chairmen and shop stewards, to promote a better understanding of the employer-employee relationship in the Botany Mills, Inc., to impress all with the community of interest and responsibilities which the Memorandum of Agreement establishes, to become better acquainted one with another and to promote uniform procedure for dealing with problems and differences which arise in the course of the relationship.

*"We are living under a system of free enterprise. We know that the success of the workers in the mill is measured by the success of the company. If the company is successful in making and selling merchandise it means that we who run the looms and the spinning frames will be able, slowly but surely, to constantly improve our living standards. That is the objective we have in mind."* — Mr. Baldanzi, introduction to course.

*"One of the important things about this plan, as I visualize it, is that all will know—come to know—each other better. We will work better with each other, and we will understand each other better. If this program is as successful as I believe it can and will be, there should be fewer grievances and they ought not to go beyond the foreman. . . . I want to assure all of you—whether you are shop stewards or supervisors, foremen or the heads of divisions—that the top management of this business is sincere in its desire to create a harmonious relationship which will be of such character that together we can carry on and make a great success, mutually, of this whole organization."* — Colonel Johnson, introduction to course.

Sessions I and II are concerned with policies stemming from sources other than the union contract. These can be conveniently grouped as follows:

Those enacted into federal or state laws.

Those in accord with recognized precedent, accepted practice or special characteristics of the industry.

#### FEDERAL AND STATE LAWS

Among the important federal or state laws mentioned are the following:

New Jersey's migrant workers law.

New Jersey's anti-discrimination law.

Federal and state laws restricting the employment of minors and females.

The New Jersey Workmen's Compensation Law.

Selective Service Act of 1940.

Fair Labor Standards Act.

Federal social security legislation.

New Jersey Unemployment Compensation Act.

Labor-Management Relations Act.

Company policies cover photographing and fingerprinting employees, free issues of clothing, changes of address, action on garnishment or attachment of an employee's wages, absence on jury duty or with armed forces, convictions for violation of a law, job ratings, smoking, stealing, intoxication, willful damage of property,

telephone calls, punching time cards and visitors to plant.

The five principal needs of supervisors as indicated in Session II are as follows:

Knowledge of the work.

Knowledge of responsibilities.

Skill in instructing.

Skill in improving methods.

Skill in leading.

A supervisor gets results through people whether it be in job relations, production, costs, safety, quality, maintenance or training. People must be treated as individuals. Individuals are influenced by their jobs, their family affairs, their health, their backgrounds and other considerations. Foundations for good relations are built when we:

Let each worker know how he is getting along.

Give credit when due.

Tell people in advance about changes that will affect them.

Make best use of each person's ability.

Promise only what can be fulfilled.

The four-step method (Sessions IV and V) is a logical procedure for handling controversial issues on which a supervisor or union shop representative must take action. The four steps are as follows:

Get the facts.

Weigh and decide.

Take action.

Check results.

Human beings react differently in different situations. Information concerning the personal affairs of employees is confidential. Opinions and feelings are not easily learned. An understanding of these is helpful in solving problems. To argue with an employee is as useless as it is unnecessary. Let the other fellow do the talking. Beware of gossip and loose talk unless verified.

A grievance (Session VI) is a complaint based on either a real or imaginary cause for dissatisfaction which an employee feels the company should adjust. Grievances are not limited to violations of the contract. The grievance procedure ordinarily commences with a shop steward's approach to a section hand to get the latter to take

some action in behalf of an aggrieved worker whom the shop steward represents. The worker may contact the section hand instead of the shop steward to present a complaint, suggestion or request which may or may not be a grievance in the meaning of the contract.

Grievances should be settled in the first step if at all possible for the following reasons:

Settlement is made by company and union representatives closest to aggrieved worker and situation.

Matter is disposed of without committing it to writing.

Expenditure of time, effort and money is minimized.

Grievance is most expeditiously settled at this level.

Prestige is brought to section hand and shop steward and their leadership is established.

Many complaints, requests and suggestions voiced by workers do not constitute grievances within the meaning of the contract and these the section hand must handle with or without the assistance of the shop steward, as circumstances appear to warrant. The decision and actions of a section hand when he is dissatisfied with the conduct or the work of one or more members of his group are his sole responsibility and cannot be delegated to a shop steward.

The Memorandum of Agreement was covered under the following headings:

Attendance and Turnover (Session VIII)

Leaves of Absence, Vacations and Termination Procedures (Session IX)

Veterans' Programs and Group Insurance (Session X)

Seniority and Transfer Procedures (Session XI)

Wages and Hours (Session XII)

Employer and Union Functions Included in Memorandum of Agreement (Session XIII)

Absenteeism (Session VIII) is a problem that can best be solved by supervisors and shop stewards of the groups in which preventable absenteeism occurs. It is important because it hampers routine operation and affects production adversely. While the industrial relations, payroll, and medical services can furnish valuable counsel on the extent, distribution and causes of absenteeism, corrective

measures will be most effective when supervisors and shop stewards are interested and exert influence on the individual absentees concerned. Absenteeism is definitely a production problem and the supervisor and shop steward are the people who can solve it. Employees will strive to be regular in their attendance only when their interest in the job is maintained at a high level. The workers' problems are of a personal nature and must be handled on an individual basis by supervisors and shop stewards who are real leaders and who can inspire their groups to do the job in the most effective manner possible.

#### LEAVES OF ABSENCE AND VACATIONS

The difference between leaves of absence and vacations (Session IX) is that the former are privileges granted by the employer under exceptional circumstances without pay while the latter are a right prescribed in the contract with pay. Ordinarily, leaves of absence will not be issued to authorize absences due to illness. The seniority rating of an employee shall not be deemed affected by absences caused by illness or by leave of absence granted by the employer.

There are six types of benefits provided under Botany's Group Insurance Plan (Session X), including life insurance, accidental death and dismemberment, health and accident, hospital expenses, maternity and surgical. The cost of this insurance is borne entirely by the company to include life insurance totaling \$500 in amount. Benefits under workmen's compensation differ from those under group insurance in that the former are applicable only to injury or sickness incident to mill accidents and occupational disease.

Botany veterans are considered on leave of absence and are not required to join the union upon their return to employment with the company. Veterans are guaranteed their former jobs or substantially equivalent jobs, if such jobs exist, and if the employee is still qualified to perform the duties in such jobs. Applications must be made for such jobs within 90 days after satisfactory completion of service unless the veteran is suffering from service-incurred disability. In that case, the 90-day period may be extended to one year plus 90 days.

In layoffs and recalls (Session XI), seniority is the determining

element. Promotions within seniority groups to higher-skilled or better-paid jobs are made on the basis of seniority and other necessary qualifications to perform the job. Seniority is on an occupational basis. Transfers may be either temporary or permanent depending on the intent or purpose.

Wage revisions (Session XII) are periodic, over-all alterations in wage rates, either upward or downward; wage adjustments are individual or group changes in wage rates occasioned by inequities or inequalities within the mill. Additional indirect wage benefits include overtime pay, holiday pay, vacation pay, reporting-time pay, waiting-time pay, shift premiums, and group insurance. The work week at Botany begins at 7 a.m. on Monday. The work day consists of twenty-four hours beginning at 7 a.m. each calendar day. The regular hours of work by shift consists of eight consecutive hours scheduled during five consecutive work days from Monday to Friday.

Good labor relations (Session XIII) are peculiarly sensitive to good will among the employer, the employee and the union. The employer and the union are tireless in their efforts to establish such good will and mutual understanding. Unfortunately, individual employees are not always equally zealous in the cause, with the result that recriminations, ridicule, defiance and threats are sometimes reported in the course of arguments for or against the company and for or against the union.

In conclusion, always remember that in labor relations it is not sufficient merely to be right. The action taken must reflect good labor relations. Otherwise, the very purpose for which collective bargaining was established may be defeated. The Memorandum of Agreement between Botany and the union forbids strikes, work stoppages and lockouts; prescribes arbitration for the settlement of differences; and makes production, attendance and other essentials of efficient operation common responsibilities of the company and the union. Its purpose is to assure cooperation, create mutual respect and avoid dissension.

## GRADUATION EXERCISES

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### Addresses on Completion of First Joint Training Course

IN THE PRESENCE of members of their families, representatives of industry, union officials and industrial relations specialists, 381 Botany employees, ranging in age from 23 to 70 years, were graduated on May 27, 1947, from the labor-management school conducted jointly by the Textile Workers Union of America, C.I.O., and Botany Mills, Inc.

The event, first of its kind in the history of labor-management relations, marked the end of the first course of instruction in which Botany supervisors, representing management, and shop chairmen and shop stewards, representing the union, were trained jointly in their respective responsibilities and duties.

Including guests of the graduates, the company and the union, and representatives of industry who accepted invitations to be present, the audience was composed of approximately 1,200 persons. Diplomas were awarded jointly by Col. Chas. F. H. Johnson, President of Botany, and Mr. Emil Rieve, President of the Textile Workers Union. Addresses were delivered by Colonel Johnson, Mr. George Baldanzi, Executive Vice President of the Textile Workers Union, and Maj. Gen. Irving J. Phillipson, Director of Industrial Relations of Botany. Mr. C. F. H. Johnson, Jr., Vice President and General Manager of Botany, presided at the exercises which were held in the mill cafeteria.

Following the graduation exercises, a buffet supper was served to graduates and guests in the recreation hall of the mill.

The graduation program was as follows:

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## P R O G R A M

### ADDRESS OF WELCOME

CHARLES F. H. JOHNSON, JR., Vice President and General Manager,  
Botany Mills, Inc., chairman

### "STAR SPANGLED BANNER"

BOTANY BAND

### INVOCATION

REV. DR. GEORGE H. TALBOT, First Presbyterian Church, Passaic,  
N. J.

### "OUR COMMON MISSION"

MAJ. GEN. IRVING J. PHILLIPSON, Director of Industrial Relations,  
Botany Mills, Inc.

### GRADUATION MARCH

BOTANY BAND

### "HUMAN RELATIONS IN INDUSTRY"

GEORGE BALDANZI, Executive Vice President, Textile Workers Union  
of America, C.I.O.

### SONGS

RAY HEATHERTON

### "BIRTH OF AN IDEA"

COL. CHARLES F. H. JOHNSON, President, Botany Mills, Inc.

### PRESENTATION OF DIPLOMAS

COLONEL JOHNSON and MR. RIEVE.

### BENEDICTION

REV. ANTHONY KURZYNOWSKI, St. Joseph's Roman Catholic Church,  
Passaic, N. J.

In introducing the speakers, Charles F. H. Johnson, Jr., emphasized repeatedly the joint responsibility of management and employees in successful competitive production.

"Free enterprise," he said, "is on trial throughout the world, and only in the United States is it continuing without an increasing state control which places both management and labor under the domination of the government. Elsewhere, industry is being told what may be manufactured, how much, and at what prices. Work-



ers are being allocated to work in certain industries. Their wages and hours are fixed by government and they spend the money they earn as the government directs. They buy for themselves and their families—not with money, but with ration tickets which regulate even the kind and amount of food and clothing they are permitted to buy. That is what we want to avoid above all else in this country.

“Here in the United States the path of freedom is still open to all of us. The only bar to individual opportunity is the limit which the individual himself places on his efforts.

“At Botany we are trying to safeguard the earning power of our employees by maintaining a high level of uninterrupted production, and by delivering our diversified products to the public at prices which will insure the widest markets.

“We believe sincerely that it is good business for management and employees at Botany to work in friendly unison; to understand and appreciate one another’s problems. That is why we established this Joint Training Course for employees directly representing management in their relations with workers and those employees who represent the union.

“Actually, all of our interests are identical. Every worker is as responsible for the quality of our products and for their eventual successful sale as are our laboratory technicians who test the products to insure their standards, or the salesmen who sell them.

“That is why we are striving for a better and closer understanding. It means better production, more regular employment, better and more certain wages for employees, and greater stability for the company through assured and expanding markets.

“It is with pride that I preside at this graduation exercise and introduce the speakers who will tell you what has been accomplished through the successful first year of this Joint Training School designed to make us all know one another better and to understand each other with greater sympathy.”

### OUR COMMON MISSION *Address by* GENERAL PHILLIPSON

“We meet this evening to observe with due ceremony the success-

ful completion of the Joint Training Course in labor relations participated in by nearly four hundred Botany employees including company supervisory personnel and union shop representatives. This course was initiated last September under similarly propitious circumstances. The purpose of the instruction, its scope and the thought underlying its inception were clearly pointed out at that time by those to whom you are again to listen on this occasion.

"The course has been conducted jointly by the Botany Mills, Inc., and the Textile Workers Union of America, C.I.O. The instruction was prepared jointly by representatives of the two, working in harmony. This unusual procedure has occasioned widespread public interest and much favorable comment. There are, however, other phases of the instruction which are equally worthy of attention although less generally known and acclaimed. They stem from the determination of the company, its employees and the union to live together in amity, understanding and mutual respect—a determination which has distinguished employer-employee relations in the Botany Mills since the union has been well established.

#### ATTITUDES DETERMINE RESULTS

"The course itself deals principally with the contents of the Memorandum of Agreement made the first day of February, 1946, between the Botany Worsted Mills, as it was then called, and the Textile Workers Union of America, C.I.O., and the application of these policies to problems which occur in the mill. Except for minor variations due to local conditions and circumstances, the Botany contract is identical with innumerable other agreements which have been negotiated between employers in the same or similar fields and the union. Nearly all conform to a common pattern.

"These Memoranda of Agreement are little more than general statements of policy adopted by employer and union as guides for the relationship which should exist for all concerned, in their dealings with each other. They are not as is sometimes pictured, inflexible, inequitable, detailed rules of conduct which rigidly fix

the pattern of employer-employee relations to the disadvantage of all, but rather they are reciprocally negotiated covenants calculated to prevent misunderstanding and controversy in the daily routines which characterize manufacture and business. These agreements prescribe certain functions as pertaining exclusively to management; others, for which the union is solely responsible; and still others which are matters of common concern.

"Thus it is the attitude in which an agreement is approached and accepted rather than the contract itself which determines the relationships which actually result from such an agreement. If both parties to an agreement are fair in their concept, unselfish in their purposes and open and above board in their dealings, mutual confidence is created and harmony prevails. On the other hand, suspicion, distrust or double dealing will vitiate the fairest of contracts. All this is easily understandable at the top management-national union level. Once the contract is signed and respective attitudes are apparent, differences which arise are either readily adjusted or are referable to arbitration for settlement.

"But consider for a moment these relationships at the immediate points of contact between the lower echelons of supervision and the production and maintenance employees eligible for union membership — the front line of industry. Harmony here is indispensable to effective production without which the company, its employees and the union cannot succeed. It is also at this level that the greatest likelihood of misunderstanding, suspicion and controversy occurs. It was with these in mind that joint training was initiated and the joint instruction prepared.

"But on what basis should this joint training be approached? Certainly not from the viewpoint of differences and dissension. The community of interest and mutual responsibilities set forth in the agreement furnish the only solid foundation to which such instruction could be anchored, and then only if the company and the union saw eye to eye in such matters. Fortunately, such common understanding and mutual trust does exist at top levels. It is this and this alone which made the procedure practicable.

"From the above it is a simple matter to deduce the objectives of the course, which are:

1. To promote a better understanding of the employer-employee relationship in the Botany Mills.
  2. To impress all with the community of interest and responsibilities which the Memorandum of Agreement establishes.
  3. To become better acquainted one with another.
  4. To provide uniform procedure for dealing with problems and differences which arise in the course of the relationship.
- these to be accomplished through joint training of supervisors, shop chairmen and shop stewards.

“The functions and responsibilities which are enumerated in the Memorandum of Agreement as matters of joint concern or of cooperative effort cover a wide range of activities. It may be well to refer to them before proceeding further.

#### THE UNION'S RESPONSIBILITIES

“In the language of the agreement, ‘The union recognizes the responsibilities imposed on it as the exclusive bargaining agent of the employees, and realizes that in order to provide maximum opportunities for continuing employment, good working conditions, and better than average wages, the employer must be in a strong market position, which means it must produce efficiently and at the lowest possible costs consistent with fair labor standards. The union, through its bargaining agent, assumes responsibility for cooperating in the attainment of these goals. The union therefore agrees to each of the following:

1. *It will cooperate with the employer and support his efforts to assure a full day's work on the part of its members.*
2. *It will actively combat absenteeism and any other practices which restrict production.*
3. *It will support the employer in the effort to improve production, eliminate waste in production, conserve materials and supplies, improve the quality of workmanship, prevent accidents and strengthen good will between the employer, the employees, the customer, the union and the public.* This broad base to which it was decided the instruction should be anchored is both substantial and deep set.

“Joint instruction in accident prevention is now in course of

preparation. This course will start in September and the same supervisory personnel that participated in the training in labor relations will take the course. However, union participation will be confined to union members of Safety Committees and such additional employees as the union may care to include. Again the course will be prepared and the instruction will be conducted through the joint efforts of the company and the union. The results attributable to joint training in labor relations have amply demonstrated the advisability of continuing this training wherever it is deemed appropriate.

#### WAVE OF PUBLIC INTEREST

"The strengthening of good will among the employer, the employees, the customer, the union and the public rates high among the common undertakings to which the company and the union are committed by the terms of the Memorandum of Agreement. It is a never-ending function which can be of inestimable advantage to all concerned if effectively accomplished. The ramifications of this very comprehensive program extend far beyond the horizons of labor relations. However, in the course of instruction in labor relations, a start has been made to strengthen this good will to include in some degree public and customer elements. The time available for the course in labor relations has been far too brief to develop good will to any great extent between others than the company, the employees, and the union. Yet the training has created a wave of public interest which in itself strengthens goodwill with the public.

"And now a brief word to you, the graduating class, my agreeable companions during many hours of training. I like to think of ceremonies such as this as commencement rather than graduation exercises. For in the final analysis training is a continuing process which never really ends for those who seek continuing advancement. Occasional refresher courses are contemplated for all of you in order that you may keep abreast of current developments in labor relations as well as to guard against forgetfulness. The loose-leaf labor relations manual furnished to each of you, which includes resumes of the instruction imparted during training, will

be periodically revised by substituting new pages for those parts of the course which have been modified or have become obsolete. In labor relations, change is the rule, stabilization the exception.

"Nor do the exercises conducted this evening mark the end of basic joint training in labor relations. During the nine-month period that the Joint Training Course has continued, a turnover in both supervisory personnel and union shop representatives has occurred. In addition a few supervisors and shop stewards have been prevented from taking or completing the courses already held due to circumstances beyond their control. Joint training in labor relations will be repeated for these employees. From time to time, as turnover continues, repetition of the basic course as then amended will be necessary.

"It has been a rare privilege to be associated with you in this activity. I sense that we have become better and more happily acquainted with each other during the hours we were together in the classroom. Among us, the differences in ages and backgrounds are great. Many are far beyond school age. Others, for one reason or another, were inadequately equipped to participate readily in the conferences. Yet, practically without exception, your interest and attention as well as your cooperation have been most flattering. Union shop representatives have been indistinguishable from supervisors as far as their attitudes and willingness to participate freely and fully in the instruction and discussions are concerned.

#### AN EPOCHAL UNDERTAKING

"It must be evident to each of you who have completed the course that its objectives have been effectively attained. Your instructors learned much from the association, and if even a part of you were equally fortunate in this regard, the program was well worth while. Should you as the years pass feel the urge to reexamine the attractive diplomas which the company has so generously provided for you, I trust that the pride which all of us must feel at this time for having participated in such an epochal undertaking will reassert itself and that pleasant memories of this happy association will be revived.

"Were I permitted to propose a class motto for those who will

receive diplomas, it would surely read: 'Our common mission — a challenge and an inspiration.' ”

## HUMAN RELATIONS IN INDUSTRY

*Address by MR. BALDANZI*

“On behalf of the union I am happy to participate in these graduation exercises for the foremen and stewards who have completed the labor relations course of our Joint Training Program. This program for the development of human relations in industry represents our combined attempt to diminish the fears and uncertainties of our modern economic life to the end that we might achieve not only sound labor-management relations, but greater economic stability for workers and management, working together under a system of free enterprise.

“Our Joint Training Program proposed to modify the old relation of ‘boss’ and ‘worker’. The program was based on an ideal, but it was also rooted in hard, practical fact, for we know that the better the relationship between the company and the union, the greater the over-all security and prosperity. Good labor-management relations are also good business.

“Our program has met with widespread interest, and I feel that it can contribute much to the attainment of sound labor-management relations elsewhere, as it already has in Passaic.

“Some of us — both in the company and in the union — felt that if we hoped to establish an enduring, solid relationship that could better withstand whatever stresses and strains the future might bring, it would have to be something more than just a formal, across-the-table bargaining relationship between top union representatives and top company officials. We felt that too little attention had been paid in industry generally to the social and human factors in management-labor relations, and we proposed to do something specific about it here in Botany.

“This course marks the first attempt to include — as full and active partners in the beneficiaries of our system of free enterprise — all who are a part of that system. We have worked to establish a relationship that includes everybody who in any way represents

either the workers or the company. The key to the success of our combined effort is I believe to be found in the word 'human'.

"One of the greatest obstacles to achievement of an orderly relationship in our modern American industrial life has been the substitution of the engineering slide rule for good common practical horse sense, and a resultant loss of appreciation of human values. If free enterprise is to compete successfully against other systems, it must re-establish the human factor as an important element in industry. People are America's and industry's greatest asset. Our task is to make them America's most cherished asset.

"In the kind of world in which we live, the machine has come more and more to dominate the individual. The single worker has retreated further and further into the background, with a consequent sense of loss of his dignity as a human being. Helpless to defend or assert himself in the face of industry's increasing mechanization, the individual worker had to join with others whose economic interests were the same as his own. It is an interesting commentary on the complexity of the world we live in that men can achieve personal dignity and security, not in lonely isolation, but only through free association in groups which share a common aim and interest.

"For the worker, it is self-evident that the economic organization that allows him to achieve a truer measure of the individual expression of which he is capable — by freeing him from the necessity of engaging in uneven economic competition with overwhelmingly stronger corporations — is his union. It is the union which makes it possible for the worker, through his chosen representatives, to sit down with management on a basis approaching equality.

"The problem we face as workers, as union officials, as company representatives — as Americans generally — is essentially the simple one of learning to live, and get along with one another. Through our Joint Training Program we have gone a long way toward establishing a solid relationship based on mutual trust, and understanding of our common problems and needs — a trust and an understanding that will see us through the good times and the bad that may lie ahead.

"This past year has proved that mutual understanding and



sincerity of purpose can build a decent relationship between management and labor that can contribute to the total good. Here at Botany, through cooperation between the union and management, we have been able to establish the highest wages in the history of the company. We have inaugurated a program of vacations with pay. The wellbeing of the workers is protected through a health insurance program. Measures for the safety of the workers are constantly improved through our joint safety program. Possibilities for greater responsibility and for job improvement are based not on favoritism, but on seniority and conscientious service. We have mutually agreed that while each of the parties to our collective bargaining relationship is sovereign in its own field, the surest way to achieve peaceful relations would be through relinquishment of a portion of that sovereignty to a third party to whom we have — through voluntary, compulsory arbitration — entrusted the settlement of disputes on which we ourselves cannot agree. This is the most democratic way of solving differences which two non-antagonistic parties cannot solve by themselves.

"Courtesy and respect have become the general practice. Unyielding stubbornness has given way to knowledge and understanding. A greater appreciation of the complexities of the economic aspects of this highly-competitive industry has grown out of our Joint Training Program.

"America has not yet exhausted all of its industrial potentialities. During the war, production reached heights that no one had ever dreamed possible, and no one then said that we could not reach even greater heights. I am for expanding our industrial capacity to the fullest, but I would spread the benefits of that expansion among larger and larger numbers of our people. It is the joint effort of all of our people that has made this the most powerful country in the world. Surely the people are entitled to share in the wealth they have created.

"For we believe that the system of free enterprise will remain free only as long as we sustain the equality of all groups in that system, and permit no one group to dominate any other. History teaches us that when society begins to function in such a way that

all power and wealth are concentrated in the hands of a few, then that society has lost its capacity for survival.

"I would be the first to admit that the labor movement has its faults. But those groups which are now shouting so loudly for repressive anti-labor legislation confuse correction with annihilation. They fail to see that by their action they are signalling the end of all freedom. For let the state wipe out free trade unionism and it will surely but inevitably take over business itself, drive small independent enterprisers into bankruptcy, and encourage monopoly and concentration to the point where industry itself will become one huge, government-run trust. The truth of the matter is that you cannot take freedom away from one group without ultimately taking it away from all groups.

"In a world grown increasingly complex, in a world in which mere geographical isolation is no longer a defense, we must learn to live with the rest of the world. Just as we face the problem, here in our own country, of learning to live with other Americans as human beings, so must we, as a nation, find a way of getting along with the peoples of other lands. I say peoples and not nations, for it is the people who fight and die, and in whose hands lies the power to make peace.

#### THE WIDER ASPECTS

"It is the exaggeration of national differences and rivalries that make for war. Recognition of our common problems as human beings—regardless of national variations—and the desire to solve those problems, make for amity and understanding.

"All nations are made up of people pretty much like ourselves, peoples whose traditions and customs may be different, but no less interesting or worthwhile than our own, people who want essentially the same things out of life that we here do—a steady job at decent pay, a chance to live comfortably, the right to develop individual capacities, to live in dignity and peace, and always cherishing the hope that one day things will be a little better.

"We must as a people, as a nation among nations, find a way to live and work together. I think that we have made an excellent beginning here at Botany. In our own modest way we have con-

tributed toward making the system under which we live work a little better, and the union is happy to have shared in the development and application of this program with Botany's progressive management, of which Colonel Johnson has been the guiding spirit."

## BIRTH OF AN IDEA

*Address by COLONEL JOHNSON*

"When inviting you to gather here this evening, we were most conscious of the experiment in human relations that has been going on at Botany since last September, and how dependent it was upon sincerity, and mutual faith for its success. The men and women representing both the union and the management could only succeed if imbued with a complete confidence in the sincerity of top management both in Botany and in the Textile Workers Union.

"Inspiration was the history of our own great country. Courage to sail unknown and uncharted seas brought to our shores men and women ready to sacrifice comfort, security, friends — even their very lives — to win freedom, not only for their religious principles, but also for the right to carve out for themselves and their families a new economic opportunity for a freedom built upon their enterprise. They built far better than they knew.

"They cleared the wilderness, later they fought for their national freedom and, after many hardships, a new nation was born which soon found it could not exist on agriculture alone. Gradually the artisan became a distinct part of the new nation. The individual added helpers and soon we had the start of what is today the greatest industrial empire in the world.

"I have thought much about this. Why should there not be today the peace between the boss and the worker that existed then? My studies covered much reading. Most of it seemed academic, little of it practical. Foundations have been set up for study, and they are still in the making. None seemed to seriously point to the basic foundation — human relations.

"Years ago the boss at the bench knew each of his men. He was Jack or Bill to them, and they to him. He knew their joys and sorrows, and they knew his. They not only sympathized with each

other — they helped in a material as well as in a spiritual way. Time went on; industry grew. The boss had assistants, later foremen, over other men. The boss was getting farther away from Jack or Bill and Jim, and they from him.

"Industry continued to grow. In came departments, heads of departments and superintendents. Corporations came into existence, and with each step forward in material progress, we were a step further away from that human relationship that had so much to do with peace between those so dependent upon each other for their mutual success and prosperity.

"Gradually a hardness developed between worker and management. The boss was no longer really known to his workers at the machines which superseded the work bench. To them he was a myth. To him they were a number. Grievances grew below. Power grew above. Disregard replaced sympathy and understanding. Labor needed championship, and soon there appeared the professional labor leader.

"Years of bitterness succeeded the old peaceful, and the still older, friendly and forgotten, relationships. As time went on, abuse, instead of the wise use of power and authority, gave the unions strength, and they found political champions until business became the football of politics instead of the vehicle of economics for the good of all. This only served to create waste and strife at the cost to all concerned.

#### TOWARD A BETTER RELATIONSHIP

"This industrial evolution intrigued me. I became convinced the labor union was an integral part of the forward march of our great nation, with all its opportunities. Could its leadership be induced to build more constructively than business had done?

"Owners and unions alike distrusted each other. Could management gain the confidence of both and bring about a new and better relationship?

"I studied our own setup. We had done for our people all that the unions were generally demanding, not only in wages, but in the way of social progress. Always I reverted back to the boss at the bench, and Jack, Bill and Jim working with him. I studied

our own worker grievances, and the bungling procedure in settling them. I noted that the union stressed this phase of labor-management relationship in their contracts throughout industry.

"Mr. George Baldanzi, the executive vice president of the Textile Workers Union of America, C.I.O., and I had gotten to a point of mutual trust and faith in each other. We sat for hours and talked of how to return to the human relationship in industry that was so lacking. At one luncheon I broached the idea of impressing on our foremen and department heads our sincerity and good faith. George was to do the same with the union representatives. Then we would mutually try to have all grievances handled by the boss at the bench who, to his men, was the real boss. He is the one they know best. At the same time we would give the union representative or steward a broader view of his responsibilities. Jointly, we would give them a better insight into our business and what made it tick. We would give them a complete understanding of the agreement between the union and Botany, and to top it all off, a realization that loyalty to Botany was loyalty to the union and to themselves.

"Out of these talks was born the idea of our present School of Human Relations. My associates approved the idea. George Baldanzi's associates did likewise. In the meantime, General Irving J. Phillipson, who had assumed charge of our labor relations, was kept fully informed of our talks, as was Mr. Charles Serraino correspondingly for the union, in which he was Mr. Baldanzi's right bower.

"To the General was delegated the job of creating the school and outlining a course; to Charles Serraino was delegated the job of working with him and of editing the lessons of the course. Tonight we graduate the first classes, and as the evening proceeds, you can judge if all our joint efforts have really proved worth while.

"We think they have, and we will continue them in a greater and broader effort to improve our human relations in Botany in the interests of mutual prosperity and progress.

"The event which we are witnessing here tonight is one which all of us believe marks a step forward in sensible and mutually advantageous relations between management and employees. It is

my firm conviction, and that of my associates at Botany, that there is nothing more important to our national welfare than a fair and equitable understanding of the mutual rights of labor and of industrial management. Our own individual futures and those of this country will rise or fall according to the degree of understanding and tolerance arrived at between us.

"The Joint Labor-Management School from which you 381 representatives of management and labor are graduating tonight represents an effort by the Textile Workers Union of America, C.I.O., and Botany Mills, Inc., to establish a pattern of behavior which will enable all of us to know one another better and to understand each other more clearly. It is an experiment which in the short period it has been in existence has proven itself to be successful beyond our fondest hopes. Its permanent value remains to be tested. Time and the application of the lessons learned by all of you will determine its final results.

#### DIGNITY OF THE INDIVIDUAL

"You men and women who are formally marking the completion of your course in the Labor-Management School here tonight will agree that you have learned valuable lessons in technical procedures having to do with the relations between union representatives among our employees and representatives of management. You have been drilled in general personnel problems and their best methods of solution. You have been taught grievance procedure and have become familiar with the provisions of the Memorandum of Agreement between the union and the company. Your instructors, representing both the union and management, have impressed upon you the necessity of safeguarding the dignity and rights of all personnel at all times.

"As a result, the number of grievances which once went to the top levels of management and union representation, have been reduced to a negligible amount. Individual grievances which once moved slowly through all areas of authority, becoming more serious as they progressed, are today settled in friendly, fair fashion with a minimum loss of time and production for worker and company alike. Disputes as to limits of authority and responsibility are dis-

appearing as you have learned where they begin and end. In the classes you have attended, the actual and trial problems advanced, discussed, and solved have become the basis for a textbook outlining clearly rules of procedure, limits of authority and methods of gathering, studying and acting on facts.

"But over and above the technical knowledge you have gained which make you more efficient in your job, is the far more important fact that you have all come to know one another better. This has enabled you to understand and sympathize with one another's problems and difficulties. The resentment which once existed between management supervisory forces and those employees representing the union is giving way to sympathetic realization that there is merit on both sides of an argument, a grievance or a complaint. To the average worker, the foreman is his boss. He looks to his union shop steward to adjust his grievances. When he finds that his foreman and his shop steward can come to a just and fair solution, not only does his grievance disappear, he himself assumes a new dignity by understanding that his rights are being safeguarded by both his employer and his union.

"Ninety per cent of the grievances in any large industrial plant are of a minor nature and, properly and promptly handled, can be quickly solved. It is only when personal prejudices, neglect and resistance to a proper understanding of the rights of both individual and management intervene that minor grievances grow into large ones. They disrupt production, create employee dissatisfaction, and very often, strikes and walkouts.

"What we—union and management—have tried to teach you during the months you have been part of the joint labor-management program has been that contracts, agreements, technical procedure are all legal documents which are your weapons of offense or defense in times of battle. But human understanding and a due regard for others' rights, and their dignity as human beings, are the only weapons which will bring peace and accord to all of us in the long run. They alone will provide a relationship which will relegate labor-management enmity and strikes to the museum of other past codes of human behavior which have proven to be against the welfare of all of us.

"I would not try to make you believe that this labor-management program which we have undertaken is one dictated by completely unselfish generosity on our part. We are not endeavoring to relieve you of the responsibility of earning the wages you are paid. We are thoroughly committed to this undertaking because we believe it is in our interests as a company.

"We are engaged in a highly competitive business which must produce its goods at the lowest costs, and sell them at a price which opens up the widest market.

"We are convinced that by improving the working conditions of our employees through physical improvements in the mills and by educating them as to their rights and responsibilities, all of us will benefit equally. All costs of production in raw materials, wages and other overhead costs are the highest in our history. Only uninterrupted volume production will overcome, even partially, the burden of these high costs, enabling us to deliver our products to the public at prices they can pay.

"As members of a union which we accept as a basic part of our labor-management relations, and as Botany employees, you have a duty to perform just as we have. All management asks is an honest day's work — not more than you can handle. For that we pay the highest rate of wages in the industry, and we try to produce high quality products which we are proud to advertise to the public by brand name as the best values they can buy anywhere.

"As all of you know, we have, during the past years, spared no effort to diversify our production and our consumer markets. We have blazed a pioneer trail in the wool textile industry not only in using our raw materials, yarns and fabrics for the further production of articles of use and wear, but we have adopted every modern technique in promoting and merchandising them.

"By maintaining a constant flow of these products to the public, we are endeavoring to overcome the peaks and valleys of employment which have long been the curse of the wool textile industry. We are succeeding in that effort. How well we shall succeed permanently depends upon the cooperation which we obtain from the men and women who make these products step by step from the raw wool to the finished articles.



"The success of this program is as important to you as workers as it is to Botany as a company. For it means steadier employment, higher 'take-home' wages for every Botany employee. There is a devil of fear in the hearts of men who work, which is lack of security for the future — a security which only the pay envelope that comes regularly week in, week out and year in, year out, can insure.

"Let us all strive for mutual security. My associates and myself believe that in order to accomplish real security for the men and women who work at Botany we must instill into their hearts and minds that there is no better place to work than at Botany. When they work at sometimes-tedious jobs, they should understand that there is tedium in life for all of us. It is only by doing these tedious jobs well that we can accomplish worthwhile results. These thoughts are not mine alone.

"Mr. Otto E. Kuhn, Vice President and Treasurer of Botany, Mr. Johnson, Jr., and Mr. Baldanzi have all collaborated, but the brunt of making a success of the idea, as a movement, fell upon the shoulders of our Vice President and General Manager, Mr. Johnson, Jr., to whom I had to delegate the actual coordination of the program.

"To him and to General Phillipson, who has done a marvelous job in creating the lectures and developing the idea into a practical course; to Mr. Serraino of the union, who cooperated with the General; and to Mr. Johnson, Jr., belong the credit for our progress to date. Upon these three will rest largely our future success. They can only succeed if you men and women will continue to give them that loyal, staunch support that you have given them since last September.

"The diplomas we are awarding you here tonight are more than certificates saying you have learned certain lessons in labor-management relations. They are symbols of an accord between all of us. I hope they will prove permanently to be a new form of contract between Botany workers and Botany management, based on mutual good will, a determination to work fairly and honestly together toward our joint welfare. I ask you on behalf of Botany management to accept them as such."

## APPENDIX



## QUESTIONS AND ANSWERS

In the introduction to the joint training course it was stated that "All questions asked during the sessions will be recorded . . . and those of sufficient import for general interest will be published at the end of the course with answers thereto concurred in by the company and the union." Following are the questions and answers.

### SESSION I

#### Personnel Policies Established by Federal or State Laws

1. Q. *Would it be a violation of New Jersey's Law Against Discrimination to limit the assignment of persons having the same national origin to a single department or occupation?*  
A. There is nothing in the law apparently that indicates it would be a violation, but it probably would be better psychology and better labor relations not to segregate employees having a common national origin.
2. Q. *Who is responsible for the correctness and completeness of information concerning minors, posted on prescribed forms?*  
A. The Personnel Office. To insure correctness and completeness, all such forms are checked monthly.
3. Q. *Is compliance with the Fair Labor Standards Act solely a matter for the Payroll Department to watch?*  
A. No. Supervisors, by being informed in this regard, can avoid trouble for the company and be of service to it.
4. Q. *How can a company protect itself against hiring minors under 16 years of age?*  
A. By demanding proof of age in the form of official age certificates.
5. Q. *Is the occupation of motor vehicle driver or helper legal employment for persons under 18 years of age?*

- A. No. Both have been declared hazardous under the provisions of the Fair Labor Standards Act.
6. Q. *How are violations of the Fair Labor Standards Act brought to the attention of the government?*
- A. Generally in one of the three following ways:
1. Employee sues his employer.
  2. Someone makes report to Wage and Hour Division.
  3. A Wage and Hour inspector makes routine investigation.
7. Q. *Why are women being taken off the third shift now?*
- A. Under New Jersey law, women are not permitted to work between midnight and 7 A.M. except during the present emergency. Were the company to wait until Congress declares the emergency ended to take women off the third shift, the wholesale relief of these skilled workers might well disrupt production. Accordingly, they have been relieved gradually.
8. Q. *Why is an employee who is injured in the mill as a result of horse-play in which he has not participated ineligible for workmen's compensation?*
- A. The law does not provide coverage for such cases.
9. Q. *How does an employee file a claim for old-age or survivor's insurance under the Social Security Act?*
- A. The worker or his beneficiary goes or writes to the nearest Social Security Administration field office. There is one of these offices in the Passaic Post Office. It provides assistance in filling out the necessary claim papers. No benefits are paid until a claim is filed.
10. Q. *Can the supervisor assist in keeping the company's unemployment tax rate down?*
- A. Yes. By planning ahead and being vigilant to keep as many of his workers as possible on the payroll throughout the year. Avoidable hirings, layoffs and recalls run up the company's tax bill as well as direct labor costs.
11. Q. *What happens to the unemployment claims of a worker who moves from one state to another?*
- A. He is able to register for work and file his claim at an employment office in the state to which he has moved. The state agency at which he registers forwards his claim to the state in which he may be qualified for benefits. Any benefits are paid directly from the state in which the worker is qualified for benefits.

## SESSION II

### Personnel Policies Based on Recognized Precedent, Accepted Practice and Customs of the Industry

12. Q. *What should a supervisor do when he is apprised of company policies which seem to him unsound or unwise?*  
A. He should give management through his immediate superiors the benefit of his opinion and his judgment. Having done this, his responsibilities in the matter have been adequately discharged.
13. Q. *Why should the services of an employee be terminated if he cannot make satisfactory arrangements for settlement of a garnishment or a wage attachment?*  
A. This has been an accepted practice of the company extending over many years which the Memorandum of Agreement does not modify. Employees who cannot arrange to meet their financial obligations well enough to avoid or to satisfy legal process are not satisfactory employees. If the employee has even a remote excuse for failing to pay, satisfactory arrangements can ordinarily be made with the creditor. If the worker makes up his payments, no blame or loss of status is permitted.
14. Q. *If employees refuse or neglect to wear protective clothing when there is danger of burns or infection, what action should be taken by the supervisor?*  
A. He should inform the employee in the presence of the shop steward that the wearing of protective clothing is mandatory under the conditions and unless complied with, it will be necessary to take disciplinary action which, in such cases, may well include discharge.
15. Q. *If an employee is called for jury duty during the vacation season, would the company permit the employee to take his vacation while serving on jury duty?*  
A. Yes. Provided other conditions affecting vacations were satisfied.
16. Q. *Provided two employees report for work at the same time, what is the objection to one of them punching the clock for both?*  
A. It is forbidden for one employee to punch the time clock for another under any circumstances. Such an act is an infraction of company rules which have been adopted specifically to prevent fraud.
17. Q. *Does the company permit groups of students to enter the mill for educational purposes if properly supervised?*  
A. Only if authorized by the General Manager. The policy is not to encourage such visits.

18. Q. *At present, is there a recently revised compilation of company personnel policies available for use in the mill?*  
A. No. The Director of Industrial Relations is now working on an Employees' Handbook and a Supervisor's Policy Manual.
19. Q. *How are new policies transmitted to employees?*  
A. By bulletins, through the line organization, by announcements at meetings, and occasionally in the *Botanist*.

#### SESSION IV

##### The Solution of Problems Which Occur in the Employer-Employee Relationship

20. Q. *In getting facts, how can you be sure that you have the whole story?*  
A. You cannot be sure that you have the whole story, but by running down all the leads you can be sure that you have the whole story that is available. No more is expected of you.
21. Q. *What is meant by gaps in the evidence?*  
A. In getting the facts, it is not always possible to ascertain the actions of the persons or the course of events during the entire time under consideration. Lack of information for periods which are not accounted for are called gaps in the evidence.
22. Q. *When the testimony of two witnesses or two principals is diametrically opposite, what action should be taken?*  
A. Question them in the presence of each other. Discrepancies are usually reconcilable under these circumstances.
23. Q. *How is the company to know whether settlements made in the first three steps of the grievance procedure are to its thinking?*  
A. Without reports of the action taken in the first three steps, the company would not know unless it heard indirectly. However, supervisory personnel normally consults with the Director of Labor Relations before agreeing to an action which might be questioned by the company.
24. Q. *In some instances, the lower echelons of supervision are bypassed in the handling of problems because of alleged lack of authority or because of their apparent unwillingness to accept authority. Does this instruction extend authority to them to handle all problems within the scope of authority implied by the contract?*  
A. Technically, no. However, instructions will be issued following the close of this course, correcting such violations of the contract.

25. Q. *When supervisor and shop steward reach different conclusions from the same set of facts, how can these differences be reconciled?*  
 A. Frank discussion will help, but unless one can convince the other of the correctness of one set of conclusions, the only alternative is to send the grievance to the next higher step of the procedure.
26. Q. *Suppose incorrect conclusions are arrived at although the four-step method is followed, what corrective action is open to the company or the union?*  
 A. None, except that the settlement of a problem in any step of the procedure does not prevent a similar problem from coming up later. Naturally, the error if known would be pointed out to the responsible person or persons, and too frequent repetitions could not be looked on with favor.
27. Q. *Is not there danger in the four-step method that persons using the method will let their preconceived ideas or prejudices enter into the process?*  
 A. Yes. That is the difficulty in this or any similar process. Only through practice, experience and concentration can such extraneous matters be rigidly excluded.
28. Q. *Even when a person is so proficient in using the four-step method that he follows its steps unconsciously, is it not desirable in solving problems to follow the method through in detail?*  
 A. Yes. Otherwise, essential matters may be slighted and unsound conclusions reached.

## SESSION V

### Practical Exercises in the Solution of Problems — Presentation of Typical Cases

29. Q. *Did these type problems actually take place in the Botany Mills?*  
 A. Yes, but names, places, departments, times, etc., have been changed.
30. Q. *How can one know that the conclusions reached are the best ones?*  
 A. If the conclusions reached are sound, users of the method should be satisfied. In negotiating, solutions are frequently the best ones that can be reached under the circumstances, rather than the perfect answers.
31. Q. *Is not there a natural tendency to jump to conclusions and then try to make the facts support such conclusions?*



A. Yes. It is extremely difficult to disassociate self-interest or bias in interpreting facts.

32. Q. *Will you tell the class the solutions reached by company and union representatives in these particular cases?*

A. Yes. But such solutions must be considered as "a solution" rather than "the solution."

33. Q. *What do you mean by "fighting" the problem?*

A. Introducing conditions or assumptions not included in the statement of the problem.

34. Q. *How is one to prevent the company's interest or the employee's interest from coloring the negotiations?*

A. Good faith, confidence in each other, cooperative attitudes, and mutual respect are indispensable attributes for both parties. If these did not exist between the company and the union, this joint instruction would be impracticable.

35. Q. *Have problems occurred traceable to clashes of race, creed, color, national origin or ancestry?*

A. None of any consequence. Naturally, people are people and personalities may not get along with each other. However, this is a field in which both the company and the union have well-defined responsibilities under the law which both conscientiously seek to fulfill.

## SESSION VI

### Grievance Procedure

36. Q. *Is the grievance procedure prescribed in Botany's contract the usual one?*

A. Three- and four-step procedures are in general use; perhaps more widely than is the five-step procedure.

37. Q. *Why is the second step of the Botany grievance procedure necessary?*

A. While it is true that a grievance not settled in the first step may well reach the third step, yet the overseer should know what is going on among the section hands in his group and, more often than appears at first glance, differences which pass the first step are resolved in the second step. Both the company and the union favor retaining this second step in the procedure.

38. Q. *Is there not a likelihood of the shop steward getting between the complainant and his supervisor if grievances are to be presented to the shop steward prior to reaching the supervisor?*

- A. Not if the harmonious relations on which these instructions are premised are developed between supervisor and shop steward.
39. Q. *Can the company present a grievance against the union or an employee eligible for the union?*  
A. The company can present a complaint which would be in the nature of a grievance, but it would not be a grievance as defined in this instruction.
40. Q. *Can the Director of Labor Relations be present at any step of the grievance procedure as provided for the business agent in the contract?*  
A. The practice under the contract has been to permit the Director of Labor Relations to be present at any step of the procedure.
41. Q. *Why is it important to explain to a complainant the reason for the company's action?*  
A. It avoids the implication of arbitrariness, begets confidence and develops respect for management's judgment and fairness.
42. Q. *In handling grievances, what is the relation of the Industrial Relations Department to production heads?*  
A. Industrial Relations is a staff function. Responsibility for settling grievances is a line function and when representatives of the Industrial Relations Department enter into the grievance procedure they do it as representatives of the President of the company or its General Manager.
43. Q. *Is it necessary for all grievances to pass through steps one, two and three?*  
A. No. A grievance might well be a complaint against company action or policy which would be presented at the outset in step 3 or higher.
44. Q. *Is not there a duplication of personnel in the succeeding steps of the procedure?*  
A. Yes. The shop steward is present at the first and second steps and the business agent may be present at any step. Similarly, representatives of management may engage in more than one step.
45. Q. *Suppose the shop steward for a particular section of the mill cannot be contacted; to whom does a complainant from that section then present his grievance?*  
A. To the shop chairman. If none is available, then to any shop steward available.

46. Q. *Have officers of the local union any place in the grievance procedure at Botany?*  
A. No. Not unless they are shop stewards or shop chairmen.
47. Q. *Do the officers of the local union receive any preferential treatment over other employees?*  
A. Yes. They are entitled to top seniority for layoff and recall purposes, but only during their tenure of office.

## SESSION VIII

### Attendance and Turnover

48. Q. *If only the sick and those with other reasonable excuses were absent, what absence rate should be expected at Botany?*  
A. Not over 3 percent and possibly lower. There are too many indeterminates in the calculation to warrant a prediction of an exact figure.
49. Q. *Why does absenteeism in industry receive so much attention?*  
A. Absenteeism reduces working efficiency — disrupts production schedules — lowers production — hurts quality — disorganizes work — throws extra work on others — raises production costs — and makes the supervisor's job more difficult.
50. Q. *Is it not true that individuals differ in their attitudes toward illness?*  
A. Yes. Some try to work even though they are really sick; others stay at home at the least indication of an upset. Naturally, there is no desire on the part of the company or the union to require attendance of employees who are really sick.
51. Q. *Do religious holidays materially reduce attendance?*  
A. Yes. Many employees are unfailing in their church attendance.
52. Q. *How long will it take to eliminate the poor attendance habits which developed during the war?*  
A. A considerable length of time although attendance has already noticeably improved.
53. Q. *Does attendance fluctuate with wages?*  
A. Yes. Higher wages should make jobs more precious to the workers and create a desire to keep them. The worker has a greater incentive to make a good record on the job. However, some workers appear to set for themselves a sustaining wage. When they reach that amount, their interest appears to slacken and their thoughts are on spending rather than on earning. Absenteeism follows.

54. Q. *Do not current arrangements for checking absences put a premium on untruthfulness?*  
A. Perhaps for a single absence but in the long run the advantage is with the truthful employee inasmuch as all absences and the alleged reasons for them are matters of record which are examined and analyzed frequently.
55. Q. *How is the net turnover rate computed when the strength of the mill is falling off?*  
A. By dividing hirings for the period under consideration by average number of employees.
56. Q. *For the war period, what should be considered a satisfactory turnover rate?*  
A. It varies with different conditions but should not under normal circumstances exceed an annual rate of 40 to 45 percent. This annual rate is deceiving, as turnover is largely confined to a small percentage of employees — 20 or 25 percent.
57. Q. *Does not careful physical examination for new employees reduce the turnover rate?*  
A. It should. Poor physical risks tend to increase this rate.
58. Q. *Are absenteeism and excessive turnover related?*  
A. Yes. Where absenteeism is high, turnover tends to be excessive. The two stem from similar causes.
59. Q. *What can the supervisor or shop steward do to increase attendance?*  
A. A supervisor or shop steward can help to increase attendance by putting himself in the worker's place and finding out what causes him or her to be absent. Absenteeism is an effect. Something causes it. When the cause is known, the remedy, if one exists, can be worked out.

## SESSION IX

### Leaves of Absence, Vacations and Termination Procedures

60. Q. *In what ways is the granting of leaves of absence advantageous to the company?*  
A. Leaves of absence contribute to employees' morale and protect the seniority of experienced employees who for good and sufficient reasons, other than sickness, find it advantageous or essential to be absent from work for extended periods. It is to the advantage of the company to protect the seniority of such experienced workers since in case of layoffs their services would be available to the company for

longer periods than otherwise would be possible. There are also certain disadvantages, particularly in the case of skilled workers and workers who are difficult to replace because of the character of their jobs.

62. Q. *Are leaves of absences specifically prescribed in the Memorandum of Agreement?*

A. Specifically only for employees who become business agents and for employees in the Armed Forces. However, leaves of absence are contemplated in the contract inasmuch as administrative details concerning them are included.

62. Q. *Is the company's authority to determine policies for granting leaves exclusive?*

A. Yes, but subject to the grievance procedure under certain circumstances.

63. Q. *Does the company have fixed continuing policies regarding the granting of leaves?*

A. No. The policies vary with circumstances such as the availability of work, the time of year, the character and length of the employee's service with Botany, etc.

64. Q. *Why does Botany distribute its vacations from April to September instead of closing down for a week or two?*

A. To close down for a week might be disadvantageous to the employees who are not eligible for vacation with pay; similarly, a close-down for two weeks might work a disadvantage to employees not eligible for vacation with pay or eligible for one week only. Consideration is given to the convenience of employees. Furthermore, a close-down interferes with production to a greater extent than does the Botany plan for vacations.

65. Q. *Can vacation rights be forfeited for disciplinary reasons?*

A. No. If an employee requires disciplinary action to the extent of forfeiting his vacation rights, it would appear to be better to discharge him.

66. Q. *Does the company and the union favor employees taking their vacations or working through them?*

A. In general, the company and the union favor employees taking their vacations because of the health and fatigue factors; the need for relaxation and recreation, and the beneficial effects on morale and productivity. However, during the war years when labor was scarce and production for the Armed Forces was vital, employees desiring to work during vacations were permitted or encouraged to do so.

67. Q. *When a registered letter is sent to an employee's last known address requesting reason for absence and setting a date of return, and when no answer is received in three days, is the termination irrevocable or can it be revoked on the receipt of reliable information showing that it was not possible to answer within three days?*  
A. Termination can be revoked.
68. Q. *Can an employee who is terminated resort to the grievance procedure if he feels that an injustice has been done him? And how does he start the procedure?*  
A. Yes. If presented in writing within five days after occurrence. He starts the procedure usually by entering a grievance at the Passaic office of T. W. U. A. - C. I. O. Joint Board, or he might complain to his shop steward or to his supervisor.
69. Q. *If the employee has been terminated without due cause, can he claim pay for the time he has not been permitted to work?*  
A. Yes, and if the decision is in his favor he will be paid for the time lost.
70. Q. *Does the Payroll Department or the Personnel Department determine the form, scope and contents of the termination form?*  
A. They determine it jointly, as both use it but not for identical purposes.
71. Q. *Is an employee who is laid off for lack of work terminated?*  
A. Yes. His employment is terminated but not his seniority.
72. Q. *Why is an employee who is recalled from layoff permitted two weeks to report with little if any loss of seniority?*  
A. He may be working elsewhere during his layoff and be committed to give the company for which he is then working two weeks' notice of his intent to quit.

## SESSION X

### Veterans' Programs and Group Insurance

73. Q. *Is the impaired worker more likely to be injured than the non-handicapped?*  
A. No. Having one disability, the impaired worker is likely to be more careful than one not so handicapped.
74. Q. *Is the impaired worker a menace to other workers?*  
A. Surveys undertaken by the Department of Labor indicate that existing impairment was in no instance a causal factor in the work injury of an unimpaired worker.

75. Q. *If an impaired worker is injured, is the workmen's compensation cost greater because of the existing disability?*

A. Data as to whether new injuries have aggravated existing disabilities and result in higher workmen's compensation costs are not yet available.

76. Q. *In the placement of impaired workers, what should be the rule?*

A. Impairments should not be a disadvantage to them in competition with other non-handicapped workers.

77. Q. *Why have there been so many instances of lack of effectiveness in on-the-job training in industry?*

A. In most instances, the fault has been with the instructor. Someone assumed that a competent supervisor or a skilled craftsman who was thoroughly familiar with his job would be able to teach the skills of the job to others. This is not necessarily true. The effective instructor is one who has the happy combination of knowing how to do a job and how to teach it as well. There has been no lack of effectiveness at Botany.

78. Q. *It is my understanding that prior to the union's coming to Botany, employees contributed to the cost of group insurance but in the first Memorandum of Agreement it was provided that the employer assume the entire cost. What are the arguments for and against employee participation?*

A. The following are the arguments for employee participation:

1. Rank and file employees appear to appreciate a benefit more highly when they contribute part of the cost.
2. Benefits provided without cost to the recipient are paternalistic.
3. The employer may not be able to continue to assume the entire cost of group insurance if business conditions change for the worse.
4. Should the time come when the employer can no longer carry the entire expense, employees may refuse to contribute to the cost at a time when earnings are less.
5. The best time to install a contribution plan appears to be when employees' earnings are high.

Arguments against employee participation are:

1. During high-tax periods, the employer pays for group insurance out of income which otherwise would go for taxes.
2. It is difficult to obtain an employee's consent for an additional payroll deduction.
3. Under high taxes, net cost of an insurance plan is far below premiums paid to insurance companies.

79. Q. *If the employee contributes to the cost of life insurance, how much may be his maximum contribution?*  
A. Employee's contribution may not exceed 60 cents per month per \$1,000 under the standard table, and up to 80 cents per month if the industry is hazardous or there is a large proportion of negroes in the group covered.
80. Q. *What is the largest benefit which any insurance company will underwrite?*  
A. \$40 per week.
81. Q. *How large should the disability benefit be?*  
A. Sufficient to cover the necessities of life but not so large as to encourage malingering.
82. Q. *Why are not female employees eligible for benefits for pregnancies existing at the time such employees are insured?*  
A. Because the maternity hospital benefits have been abused in some cases. Some women, upon becoming pregnant, have taken jobs just long enough to become eligible for the benefits.
83. Q. *What is the basic difference between group hospitalization and other plans?*  
A. The group hospital plan offers cash benefits; others offer service benefits.

## SESSION XI

### Seniority and Transfer Procedures

84. Q. *Is seniority in other Memoranda of Agreements always based upon length of service?*  
A. No. In some industries it is modified by ability to perform the work; in others, by relative ability to perform the work; in others, on physical fitness as well as skill; in others, on all these factors plus family status and residence.
85. Q. *What is the usual form of seniority?*  
A. Length of service governs if the worker is able to perform the work.
86. Q. *What is straight seniority?*  
A. That form in which length of service is the only factor to be considered.
87. Q. *When is plant-wide seniority applicable?*  
A. Where all the workers have about the same relative skills and perform about the same work.



88. Q. *How is seniority created?*  
A. For all practical purposes, it may be considered as created by contract between an employer and a labor union representing employees.
89. Q. *If an employee is transferred from one occupation to another at his own request, how are his wages in the new job determined?*  
A. His rate of pay in the new job depends on his experience and the facility with which he gets on in the new job. The company endeavors to fix his starting wages on the new job at the point of the wage progression that the ability and experience he brings to the job suggest.
90. Q. *What is the reason for giving shop stewards, shop chairmen and local union officers top seniority in their respective seniority areas on their respective shifts for layoff and recall purposes?*  
A. As long as there are any employees working, the services of shop chairmen, shop stewards and local union officers will be needed.
91. Q. *Why are transfers so readily arranged in the Botany organization?*  
A. If a transfer works out successfully, the company has saved a potentially valuable employee by changing him from one job without suitable opportunities to another in which he is capable of further developing his latent capacities.
92. Q. *If two employees apply for transfer to a single vacancy, would seniority be considered in determining which one is transferred?*  
A. Only if the transfer is from shift to shift in the same occupational group.
93. Q. *In view of the fact that position on a seniority list is determined by actual length of service, have there been cases in which an employee has been advanced over others on his seniority list?*  
A. Yes. Very exceptionally and only by mutual agreement of the company, the union and all persons on the seniority list over whom the employee was advanced.

## SESSION XII

### Wages and Hours

94. Q. *Why is it necessary to include provisions for the adjustment of wage levels during the life of the Memorandum of Agreement?*  
A. The agreement is effective for two years during which the wage situation is likely to be unstable due to fluctuating prices and uncertainty of the business future.

95. Q. *What are the objections to a "cost of living" adjustment clause in a contract?*  
A. "Cost of living" indices vary; it is difficult to define such an adjustment with sufficient clarity of detail to avoid misunderstanding and controversy; and such adjustments freeze worker's standards of living at the existing level.
96. Q. *Why are employees on hourly roll paid by check instead of in cash?*  
A. From the company's viewpoint, payment by check is safer, quicker and freer from error.
97. Q. *What is the objection to profit-sharing plans from the union's standpoint?*  
A. Unions, as a rule, prefer an immediate wage increase to a chance for uncertain and delayed income, the computation of which they are unable to check for accuracy.
98. Q. *Why, as a rule, are unions opposed to incentive wage plans?*  
A. They have a general distrust of the impersonal nature of scientific management methods, the fear of wage cutting and "speed up" and the unemployment and dilution of skills caused by the breakdown of crafts into semi-skilled operations.
99. Q. *Has it been necessary in Botany to resort to arbitration in settling wage and hour grievances?*  
A. Only once since the first contract became effective.
100. Q. *Is not the payment of a 15 percent bonus for the third shift unusual?*  
A. Yes. The usual procedure is a 5 percent bonus for the second shift and a 10 percent one for the third shift. However, in Botany, the first and second shifts as a rule alternate.
101. Q. *What are the factors that enter into the selection of a wage plan?*  
A. Nature of the work, characteristics of the local labor market, average skill and intelligence required in employees.
102. Q. *What is the basic test of a job rate?*  
A. The willingness of proficient or potentially capable persons to undertake the work. Whenever job rates become excessive in any occupation, management is forced to make substitute arrangements to protect its competitive position.
103. Q. *What is the purpose of time study?*  
A. To establish an accurate standard of time required to perform each perfected operation.

104. Q. *Is the factor of quality taken into consideration when the time-study man sets a standard time on a job?*  
A. Yes.
105. Q. *How can a worker be assured that an incentive plan is equitable?*  
A. Only when he understands it and knows from experience that it rewards him fairly for increased effort and "know-how."

### SESSION XIII

#### Employer and Union Functions Included in Memorandum of Agreement

106. Q. *Under the renewal clause of the Memorandum of Agreement, is there any practical way for a union member to drop his membership in the union?*  
A. Not if the agreement is extended at each termination date. But even if the agreement were not extended, employees could be required to rejoin 30 days after a new agreement became effective provided the pertinent provision of the old agreement remains unchanged in the new one.
107. Q. *Is not the commitment of the union to "support the employer in the effort to improve production" in conflict with the insistence of the union that any additional work load imposed on an employee shall be compensated for?*  
A. Not necessarily.
108. Q. *What is being done in connection with the union's commitment to prevent accidents?*  
A. There have been union representatives on Botany's safety committees for some time. Now a 50 percent participation of union membership in such committees is being arranged and joint instruction on safety programs is being prepared by company and union representatives. Through the above, complete union participation in accident prevention will be accomplished.
109. Q. *Has there been any indication of conflict between the union's commitment "to improve the quality of workmanship" and their attitude regarding any increased work load?*  
A. Such differences have never got beyond the conversational stage.
110. Q. *How can the union strengthen good will between the employer, the customer and the public?*  
A. By supporting the company in its efforts to satisfy its customers and to maintain good public relations. If the union is convinced that

the company is fair and its products are the best in the field at the price, it need only to express that attitude to strengthen customer and public good will.

111. Q. *Why are night watchmen eligible for membership in the union and plant guards are not eligible?*  
A. The duties of the two are not identical.
112. Q. *Has the company the authority to censor union matter which is presented for posting on union bulletin boards?*  
A. Not specifically. However, in case the company felt that certain matters should not be posted on the union's board, it would call the union's attention to its objections and the matter would be negotiated between the two. Because of the sincerity of both parties in their desire to cooperate such differences seldom if ever occur.
113. Q. *How can the company insure compliance with the provision of the agreement which forbids intimidation of employees?*  
A. It cannot always prevent individual violations. The union would stop individual or group intimidations as soon as they came to its attention.
114. Q. *Why is the union denied permission to make collections of money during working hours?*  
A. Because it is believed that such collections interfere with production. The company collects union initiation fees and weekly dues through its Payroll Department for similar reasons.
115. Q. *Have there been cases of discrimination against union members or interference with the right of any employee to join the union?*  
A. None that are known. There has been discussion to determine whether employees in certain occupations are eligible to join the union.
116. Q. *Is the general review session worth the time it took?*  
A. From all indications, it is well worth while.

## GLOSSARY OF TERMS

ARBITRATION — the hearing and determination of a matter of dispute by a person or persons chosen by the parties to the dispute.

ARBITRATOR — one who has the power to decide; one chosen to settle a difference between parties in a dispute.

ARSON — intentional setting fire to a building.

ATTESTED — affirmed to be true; vouched for.

BENEFICIARY — one who is named to receive proceeds of a will or of an insurance policy.

CHICANERY — trickery; sharp practice.

CLOSED SHOP — shop requiring union membership for all employees, and all hirings to be made from applicants supplied by union.

COERCION — to compel to any action.

COMPLAINANT — that party who makes a charge against someone else for a wrong done or a crime committed.

CONCUR — to agree in action or opinion.

CUSTODIAL — relating to guardianship; safekeeping.

DISABILITY — state of being unfit; absence of competent physical fitness.

DISCIPLINE — control gained by enforcing obedience.

DISMEMBERMENT — loss of limb.

DISPARITIES — differences in character or kind; inequalities.

FAIR LABOR STANDARDS ACT — a federal statute regulating employment practices in industries engaged in interstate commerce.

FEDERAL OLD AGE AND SURVIVORS INSURANCE BENEFITS—popularly known as the Social Security Act.

FORFEIT — to lose, or lose the right to, by some error, fault, offense or crime.

FOUR-STEP METHOD OF GRIEVANCE PROCEDURE — a procedure for solving all grievance problems; it provides means to get the facts, weigh and decide, take action, check results.

GARNISHEE — to legally attach a person's wages for the purposes of collecting a debt.

- GRIEVANCE — a complaint based on either a real or imaginary cause for dissatisfaction which an employee feels the company should adjust.
- GRIEVANCE PROCEDURE — successive steps through which grievances pass until a settlement is reached.
- GROUP INSURANCE — insurance covering all members of a unit or organization, premiums on which are paid at a lower rate than is paid in the case of individual insurance.
- INDISPENSABLE — absolutely necessary.
- INEQUALITIES — the qualities of not being equal; specifically, unjustified difference in wage rates.
- INTRAPLANT — within the plant.
- JOB RATING — the operation of evaluating a particular job in relation to other jobs in Botany Mills or between mills.
- LABOR STOPPAGES — unauthorized interruptions in production.
- LABOR TURNOVER — the shifting of a working force into and out of an organization.
- LARCENY — theft.
- LEAVE OF ABSENCE — permission for an employee to be absent from work for periods in excess of three days under exceptional circumstances, for reasons other than health, approved by the company. It must be distinguished from sick leave.
- LIQUIDATE — to pay off; to settle a debt.
- MANDATORY — obligatory; compulsory; a "must."
- MEMORANDUM OF AGREEMENT — official name of contract between Textile Workers Union of America, C. I. O., and Botany Mills, Inc.
- ON-THE-JOB TRAINING — a veterans' training program of up to two years' duration set up under the G.I. Bill.
- POLICIES — settled or definite courses or methods adopted and followed by management.
- PRECEDENT — an authoritative example.
- PREFERENTIAL — favoring some one or some thing.
- PROBATIONARY PERIOD — a 30-day period immediately subsequent to hiring, during which time the employer has the right to terminate an employee for any reason.
- PROTRACTED — drawn out or lengthened in time.
- PUBLIC LAW NO. 16 — a federal law concerned with disabled veterans only. It sets up an opportunity for the veteran to overcome vocational handicaps.

PUBLIC LAW NO. 346 — a federal law principally concerned with non-disabled veterans who desire to learn a skill or trade.

REHABILITATION — restoration to former state or capacity.

RESPONDENT — one who answers in certain suits or proceedings.

SANCTION — approval or endorsement of; confirmation of.

SANCTITY — inviolability; an unbreakable obligation.

SHIFT — a turn of work; also a group of workmen who work in turn with other groups.

SHOP STEWARD — an employee who is a member of the union, chosen by his fellow (union) workers to represent them in dealings with the company.

SOCIAL SECURITY ACT — name changed to Federal Old Age and Survivors Insurance Benefits Act; the government's old age insurance program for wage earners and their dependents.

SOLICITOUS — full of concern; apprehensive.

SUPPLEMENTARY — additional; issued as a continuation.

TERMINATION OF EMPLOYMENT — removal of a worker's name from the payroll. This is not to be confused with termination of seniority which removes the employee's name from seniority list.

UNANIMITY — total agreement in opinion.

UNION SHOP — shop requiring all eligible employees to join the union after a stated period; non-union members may be hired.

VACATION — an absence with pay granted in the Memorandum of Agreement to employees of Botany who have been employed for one year prior to April 15th.

WORK DAY — a day on which work is performed. In the Botany contract it consists of twenty-four hours beginning at 7 A.M. each calendar day.

WORKMEN'S COMPENSATION — a New Jersey law which permits an employee to recover damages when injury is caused by accidents arising out of or in course of employment.

WORK WEEK — The number of hours worked each week; at Botany the work week begins at 7 A.M. on Mondays.













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